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Commercial Relations

between

India and England

(1601 to 1757)

BY

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PREFACE

THE want of a comprehensive and systematic history of the rise and progress of the most extensive branch of commerce ever known in the annals of mankind and reared up with a marvellous tact and tenacity by a body of London merchants is to be deeply regretted. The romantic creation of an Empire greater than that of ancient Rome, the extraordinary magnitude of the Indo-British trade, the wonderful ramifications of British capital in India, the complete monopoly of the carrying and shipping trades of the major part of the Orient, the political domination of the British in the two continents of Asia and Africa—all demand a serious study of the beginnings of the English relations with the East. The phenomenal growth and gigantic dimensions of the Anglo-Oriental trade in the nineteenth century have led people to forget the long and bitter struggles made by the East India Company to build it up. The slow and sluggish course of the trickling rill of this trade which has swelled to a mighty stream in the present age, does not deserve oblivion.

The real volume and character of the East India Company's trade and navigation which have so long remained hidden from the public view, will form the theme of this work. In the greater part of it I have had no predecessor. The published works of Abbé Raynal, Anderson, Bruce, Charles D'Avenant, Mill, Milburn, Moreau, Macpherson and Wisset, supply only fragmentary evidence for the century and a half dealt with in this book. There is a large number of tracts of controversial character written by the apologists and opponents of the Company in the years 1615-25 and 1670-1710, when questions like the monopoly of the Indian trade by the

Company, the export of bullion and the effects of Indian imports on English manufactures, formed the storm-centres of partisan controversy. The writers of the second period were so much occupied with the bullion and protection controversies in the abstract that there is almost nothing in their works on the export and import trade between India and England, and whatever little there is, has been very much marred by their exaggerations and understatements which are only too natural in a polemic literature. The period of fifty-five years from 1625 to 1679 is more or less a blank in all these works, and even before and after this dark period the reader looks in vain for any continuous narration of the extent and character of the commercial dealings of the English before their acquisition of political power in Bengal.

The work opens with a detailed description of the commercial, industrial and economic conditions of India at the beginning of the seventeenth century, and afterwards traces the changes wrought in them by the Anglo-Indian relation during the century and a half following. Then an attempt has been made to construct a consecutive history of the Indo-British trade in all its essential aspects. The structure has been built by collecting data bit by bit from the published and manuscript records at the India Office, the British Museum, the Public Record Office, and the Board of Customs Library.

For the detailed survey of the volume, character and mechanism of this trade, it has been necessary *for the first time* to

1. Fill up the blank from 1625 to 1680 regarding exports, imports and shipping, as far as it was possible to do from the existing records.

2. Compile the annual returns of English exports, separately both in money and merchandise, from 1651 to 1707, from the Letter Books of the Court of Directors of the East India Company and other records.

3. Make a complete list of all the ships that sailed out from England for the Indies from 1601 to 1707, and thus supple-

ment the rare work done by Charles Hardy in preparing "A Register of Ships employed in the service of the Hon. the United East India Company from the Union of the two Companies, in 1707, to the year 1760," published in 1800.

4. Compile a list of the ships which returned home from the East up to 1660.

5. Give the tonnage, destination and cargo of each of the outgoing ships.

6. Collect the annual quantities and values of each of the chief English commodities exported to the East and of those imported into England during the seventeenth century as far as it was possible to do ; and finally,

7. Extract figures for the quantities of Eastern goods imported in each year from 1698 to 1760 from the sixty-two manuscript volumes on imports and exports available in the Public Record Office and the Board of Customs Library.

I have also given a comparative view of the English and Dutch trades with the East, as well as of their shipping, stocks and dividends from the beginning up to 1760, with frequent references to the Portuguese and French activities. This study brings out the essential fact that the trade between England and the East *was not inferior* in value to that between Holland and the Indies, in spite of the much-vaunted monopolies, power and prosperity of the Dutch.

The chapter on the history of the East India Company's shipping with particular reference to the rates of freights paid for the various parts of Asia from the beginning of the practice of freighting ships up to 1760, the system of hiring ships, and the rules of measuring and rating tonnage, will, it is hoped, be of exceptional use and interest to the students of commercial history.

The last chapter presents a short but clear survey of the very intricate subject of the import duties imposed from time to time in England upon the East India goods. It elucidates their working and their consequences on the Indian

trade before the foundation of the political sovereignty of the British in India.

The large mass of original information compiled from numerous sources after much investigation has been given in the form of appendices in Part II, with the necessary references in the text.

As all the chapters have been written from the study of original records, manuscript documents, and authentic contemporary accounts, it is to be hoped that the book will prove to be a lucid commentary on the romance of the genesis and rise of the British power and trade in the Indies.

In conclusion, it gives me much pleasure to acknowledge my indebtedness to Professor A. J. Sargent, Mr. W. H. Moreland, and Mr. W. Foster of the India Office for making many valuable suggestions for the improvement of the language and subject-matter of this book.

BAL KRISHNA.

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PART I

HISTORY OF THE
INDO-BRITISH TRADE

COMMERCIAL RELATIONS BETWEEN INDIA & ENGLAND

CHAPTER I

AT THE DAWN OF THE SEVENTEENTH CENTURY

THE great changes wrought by the Dutch and English in the nature and volume of the internal and external trades of India cannot be intelligently followed until the commercial and industrial conditions and the whole mechanism of the maritime trade of the country at the time of the appearance of those two nations in the Orient be fully grasped. How the whole character of European, Asiatic, and American trades was profoundly modified, how the trade routes changed, how the Turkish, Egyptian, Arabian, and Italian centres decayed, how the Portuguese passed off the stage, how the Indians in particular and the Asiatics in general lost their carrying and foreign trades, can be understood only when we look at these questions before the modifying cause began to operate.

For a realistic comprehension of the mechanism, character, and extent of the maritime activity of India and the vital parts she played in the commerce of the world, it is necessary to study severally the sea-borne trade of the principal marts of Africa and Asia, some of which also served as connecting links between Asia and Europe. It is only then that a

fair judgment can be formed of the commercial situation of the country and of its future changes. It is then alone that we can realise how all the streams of ocean-borne commerce converged on Indian soil during the seventeenth century.

Indo-African Trade

Starting from the Cape of Good Hope, we find that the Cape country had not yet been settled, nor its resources tapped by any European nation till then. On the eastern coast of that black continent the chief marts were Sofala, Mozambique, Malinda, Abyssinia, the Islands of Socotra and Madagascar. A summary view of the nature of their foreign trade clearly shows that practically they had commercial relations with no other country but India, and exclusively depended for all kinds of manufactured goods upon her. She, in turn, got her main supplies of gold from the mines of Africa.

Mozambique was a very great and safe haven for ships on the outward voyage from Portugal to India. It was very rich on account of the extensive trade done in the valuable articles found thereabout. Gold, gold dust, ambergris, ebony wood, the blackest and most excellent in the world, large quantities of ivory of the best sort, "vastly pretty" mats, many slaves, both male and female, to do the filthiest and hardest labour, were carried to India from this port. Very fine precious metal was obtained from mines at Manica (Sanskrit, gold), Monotapa, and Sofala. A number of ships laden with these goods sailed from Mozambique in the months of August and September for India, and left that country in April with a merchandise consisting largely of corn, rice, and other grains, calicoes of many sorts in large quantities, silks and beads from Gujerat, spices of Sumatra, earthenware of Pegu procurable at Goa, and some Portuguese goods. Both the outward and inward trade of Mozambique was the monopoly of its Governor and of the Viceroy of Goa. All

other merchants were shut out from a share in this lucrative trade.¹

Next to Mozambique and Sofala was Malinda or Ethiopia, with the chief fortress at Mombassa. Ambergris, myrrh and frankincense were the Ethiopian exports to India. The Island of Socotra furnished a marvellous quantity of dates, aloes Socotrīna, very pretty mats of palm leaves, large amounts of gum for covering vessels in the place of tar and pitch, civet-cats, a few horses and some ambergris. The people of this island traded all along the coast of Arabia, and thence to Goa and elsewhere, with passports from the Portuguese like the Indians. They carried back the merchandise of India to Arabia and their own country.²

Abyssinia and the northern coast of Ethiopia were the resort of many merchants for the abundant supply of gold, ivory, wax, honey, and especially of slaves, who worked as domestic servants and sailors in many parts of India. Free Arabians and Abyssinian slaves were employed all over India as sailors and seafaring men with such merchants as sailed from Goa to China, Japan, Bengal, Malacca, Ormus, and all the Oriental coast. Even the Portuguese had no other sailors, because it was below their dignity to serve as sailors in India.³ Each ship had a Portuguese captain, and some galleys had a Portuguese pilot also, while all the rest of the crew used to be Asiatics and mostly slaves.

Thus the whole eastern coast of Africa supplied gold, ivory, ebony and other very useful articles for India, and all

¹ The Account of Ethiopia, by Friar Joanuo Dos Sanctos, surpasses in detail and accuracy that of Barbosa, Linschoten, and Pyrard. Manica was the "land of much gold." Sanctos gives three ways of getting gold in Manica. Purchas, E. S., IX, pp. 200, 217, 234-7. Pyrard, II, pp. 223-37; Linschoten, I, pp. 24-36; Payton, Purchas, E. S., IV, pp. 306-9; Finch, Purchas, E. S., IV, pp. 16-17; Monfart, p. 36.

² Linschoten, I, pp. 267-8; Pliny, Bk. XXVII; Purchas, I, pp. 418-19.

³ Pyrard says that all the Portuguese ships had Indian mariners and officers. The *Indian Christians* dressed in the Portuguese style were not deemed Indians, but Portuguese (II, p. 149). "The vast number of slaves taken thence every year, and carried to America and Portugal, is a marvellous thing indeed, without counting those that remain in the country to serve the Portuguese and the Kings of that coast" (Pyrard, II, p. 322).

main centre of Asiatic trade. The Island of Ormus was the best and the most profitable place of all the Indies. It was a common proverb that if the world were an egg, Ormus would be the yolk. Another proverb made the world a ring and Ormus the gem. It was the best commercial place in the world on account of its central situation for the traffic of all parts. It was really the greatest centre of the Indian, Persian, Arabian, Egyptian, Turkish, Armenian, Syrian, and European trade. There was always a great concourse of the merchants of all nations. The products of Europe, Asia, and Africa were carried there for distribution into various countries. Cotton and silk stuffs, precious stones, spices, pepper, copra, ginger, drugs, and numerous articles used to be carried thither from India. Persia supplied rich carpets, raw silk, silks, horses, rhubarb, pearls,¹ and *larins*² consisting of the finest silver in the world: From Turkey came blankets, turquoises, emeralds, and fine lapis lazuli. Arabia sent its drugs, as also aloes, raisins, manna, myrrh, frankincense, dates, jams, and horses. While quicksilver, vermilion, rose-water, glassware, brocade, silk stuffs, woollens, cutlery, swords, and many other European commodities found their way to Ormus.

In the words of Pyrard, "the merchandise and goods of all the world must pass there and pay tribute to the Portuguese,"³ who search all the ships to see if any merchandise is being carried that is contraband and is prohibited by their King. But that is the place where Governors fill their pockets in as much as they will for money let everything pass." The

¹ Ralph Fitch (A.D. 1583) in Pinkerton's *Voyages*, Vol. IX, p. 407; 'Alder-Razzak, pp. 6-6.

Pyrard has justly said that the *Persian pearls* are the finest, biggest, and cleanest of any in the E. Indies (II, p. 239; cf. Varthema, p. 95).

Four kinds of *manna* (Linschoten, II, p. 100). *Rhubarb* was brought from the Chinese Territory through Persia to Ormus, and thence to India, but the most part of it was carried overland. For European consumption it was mainly carried to Venice. The Portuguese also dealt in it to some extent (Linschoten, II, p. 101).

² One *larin*=1s. nearly.

³ Monfari saw one ship willingly paying 100,000 francs=£10,000—for her customs (p. 14). This is probably an exaggeration, for the Viceroy Meneses informs us that the annual revenue from the customs of Ormus amounted to £31,875 only.

major portion of the trade was controlled by the Portuguese, who sent their ships to Goa, Chaul, Bengal, Muscat, and other places. No man could buy, sell, lade any commodity before the Portuguese captain had sold, shipped, freighted, and despatched his wares away. The trade in horses was completely reserved for the captain or his licencees. This monopoly gave them immense profits, for horses were very dear and in great demand in India. They were generally sold for four or five hundred pardaos, and some from seven to one thousand pardaos.¹

So far as the European trade was concerned, *Aleppo* was the chief emporium. It can be called the Queen of the Orient. It was "one of the fairest and greatest mart-cities in the world."² All European nations, with the exception of the Spaniards, Portuguese, or other subjects of the King of Spain who were forbidden to trade with *Aleppo*, used to bring their wares to this centre, had their factors there and returned with Indian goods to Venice, Marseilles, London, Amsterdam, etc. Twice every year, in the months of April and September, two caravans used to come from *Aleppo* overland through Turkey to the town of Bassora, making a special stay for several days at Bagdad and other principal marts in coming and going. From Bassora the goods were conveyed to Ormus in small boats. Monsieur de Monfart

¹ Pyrard, Part II, pp. 238-45; Linschoten, I, pp. 46-57; Ralph Fitch (1583-91) in Purchas, E. S., X, p. 168; Barbosa, pp. 42-3, 89; Frederiek in Purchas, E. S., X, p. 92.

In Yule's *Hobson-Jobson* the value of pardao or xeraphin at this time is stated from 4s. 2d. to 4s. 6d., or, say, 4s. 4d. The prices of horses would be £104 to £112 a piece, and the best as much as £224. They were imported into Goa free of duty, and even goods brought in ships carrying twenty horses (C. Frederiek), and later on, ten (William Barret in Hak. Voy., I, p. 215), were allowed to enter Goa free of duty. But forty pagodas were charged a piece for export from Goa—a pagoda being worth 6s. 8d., the duty amounted to £14 (cf. Barbosa, p. 76). John Cartwright saw some of these horses sold for a thousand and even sixteen hundred ducats a piece (p. 65).

² Another caravan has been described by William Lithgow who accompanied it in 1614. It consisted of 1500 men and 100 soldiers. Trade was jeopardised by the naval wars of the Dutch, English, and Portuguese. Moreover, the sea-borne trade of these three nations was telling upon the prosperity of *Aleppo*, hence the number of men is far smaller this season. (Purchas, E. S., X, p. 481).

(1609) accompanied one such party which consisted of more than ten thousand men.¹ Such a vast number of merchants and other people is a sure index of the immensity of the Euro-Asiatic commerce of those days. *In one word, the European trade through Turkey was centred in Ormus, where the Portuguese held the monopoly of importing horses into India and had, moreover, the privilege of pre-emption in the purchase and disposal of general merchandise.*

Indo-Persian Relations. Before proceeding to witness the busy trade and prosperity of Indian ports, we should get a glimpse of the relation of Persia and India. They had an extensive trade both by land and water from time immemorial.

Persia purchased a great many Europe-manufactured articles, especially coarse woollen cloth of various colours, but a far greater quantity of cotton cloths, drugs, and all the usual exports of India were in constant demand. Spices and metals of the Southern Islands and many Far Eastern products were also carried thither from some entrepôt of the western coast. On the other hand, all kinds of luxury articles and a large quantity of its silver money were brought back to India. There was always a favourable balance for the latter in the Persian trade, paid in the form of larins, which were in request all over the country, because they were of very good silver, and "useful and handy for all occasions."²

The tonnage of the Indo-Ormuz trade cannot be ascertained, as every traveller has attested the great number of ships in vague terms only. Yet on the evidence of Monfart and Pyrard, one could not place it at less than the Mocha-India trade. In other words, 10,000 tons of shipping either way will be a fair estimate of the Indo-Ormuz trade.²

¹ Cf. Cartwright's description (1611), pp. 8-9; Varthema, p. 7.

² Monfart, pp. 8-13; Pyrard, II, pp. 128, 174, 239, 468; I, pp. 232-4; Varthema, pp. 101-2.

Salbank's Persian Travels by Land and Sea (Purchas, I, p. 237). The best report on the commodities obtainable and vendible is from the pen of John Cartwright (pp. 41, 50, 55). From the Georgian capital Arasse alone, 600 and sometimes 1000 mules laden with silk went to Aleppo (p. 41).

Tatta and Lauribunder

Passing on to the Indian coast, we find that the first city of supreme importance was Tatta. No city was of greater trade in the north of India than Tatta. Its chief harbour was Lauribunder,¹ three days' journey from it. In two months traders could go by water to Lahore, passing Multan on the way, and return in one month. Goods from Agra were carried on camels to Bucker in twenty days, and from that town to Lauribunder in fifteen or sixteen days in boats.

Thus the three most inland, but the most prosperous and greatest emporiums of Central and Northern India found a market for their merchandise in Tatta. The special commodities of local growth were foodstuffs and raw material, like rice, sugar, butter, and salt; iron, pitch, and tar; cotton and indigo, though not as good as the Biana kind. Divers sorts of excellent fine cotton-stuffs, baftas, and lawns were available in large quantities. The country was also well known for its horses and camels. Besides these, smoked fish was exported to other ports and cities, affording a considerable profit. Fish oil was also extracted and much used in boat building. "There were also large quantities of most excellent and faire Leather, which are most workmanlike, and cunningly wrought with silke of all colours, both flowers and personages, this leather is in India much esteemed, to lay upon beds and tables instead of carpets (and coverlets), they make also all sorts of desks, cupboards, coffers, boxes,

¹ Sir Thomas Roe's Embassy (Hakl.), pp. 331, 345, 468. As the port of Tatta, Lauribunder was in Roe's time a place of considerable trade; but changes in the Indus Delta reduced it gradually to insignificance, and now even its site is doubtful (Foster in Embassy, p. 122 n.).

On looking at the maps of the sixteenth and seventeenth centuries preserved in the British Museum, I find that Diul was recognised as a separate port situated at the mouth of the River Indus, which is named R. de Diul Sinde by Linschoten, but he makes no mention of Tatta in his map (569, G. 10, and 10,025, f. 15). On the other hand, Tatta is shown far up the river and Diul on the sea coast in the map of Sir Thomas Roe (K. 115, 22), and that of D. Johanni Huyde Koper, dated 1619 and 1670 respectively. This situation of Diul as a separate port seems to have been based on tradition, because neither Abul Fazl nor Shirley and the English factors at Surat speak of Diul as a separate port.

and a thousand such-like devices all inlaid, and wrought with mother-of-pearl, which are carried throughout all India, especially to Goa and Cochin, against the time that the Portugals shippes came thither to take in their lading." It must have been a busy port, because 40,000 boats of many kinds, large and small, plied about in the River Indus.

The Sind goods were carried to Ormus, Diu, Cambay, Goa, Surat, and many of the Malabar ports. Numerous kinds of Indian commodities were imported into the province in return for them.¹

Diu was the next important port. Even at the beginning of the *sixteenth* century, it was described by Barbosa as having a very good harbour, much trade in merchandise and much shipping from all parts of the Western world and Malabar. Varthema was a personal witness to the immense traffic of the city, which he calls "The Port of the Turks," probably because four hundred Turkish merchants resided there constantly.² It seems to have grown into a still more celebrated port by the occupation of the Portuguese. It has been described by Pyrard as passing fair, rich, and fertile; *innumerable vessels* touched there, and rendered it the most wealthy place in the Indies after Goa. *It was "the mart and staple for all the vessels coming from Cambaye, Surat, the Red Sea, the Persian Sea, Ormus, and other places in the Indies."* There was much traffic with Cambay; numerous barques of 15 to 20 tons burden each plied between the two ports. One could live cheaply and command "all the conveniences and luxuries imaginable." Its custom-house produced the large income of £38,500 for the Portuguese. The Malabar pirates, too, made a great profit by seizing as many boats of the Diu merchants as they liked. Pyrard himself saw them capturing at one swoop forty or fifty of them, and that was no

¹ Thevenot, V, p. 159; Purchas, E. S., IV, pp. 171, 201; Linschoten, I, pp. 55-9; Ain-i-Akbari, II, pp. 337-8; Purchas, E. S., IV, p. 297. Walter Payton's report (A.D. 1613) for the articles required for Sind mentions broad-cloth, ivory, iron, tin, lead, steel, spices, and money (Purchas, IV, p. 207). Barbosa, p. 59; Pyrard, II, p. 255. His statement is fully confirmed by Linschoten, I, p. 58; Ralph Fitch, Purchas, X, p. 169; C. Frederick, *ibid.*, p. 89.

² Varthema, pp. 91-2.

uncommon occurrence. The coastal trade must have been extraordinarily profitable to meet all those losses on the sea.

Cambay¹ has been called the "Indian Cairo." In modern terminology it can appropriately be styled the "Indian Manchester," being the commercial centre of Gujerat, the Lancashire of India. From Ptolemy onward all travellers have attested its great wealth, magnificence, and flourishing trade. This port being one of the greatest and richest of all the coast towns of India, merchants resorted to it from all quarters of the world. It was the home and nursery of all that was best in India. The workmanship of its inhabitants in weaving and dyeing, in embroidery as well as curious works of art, made of wood, metal, ivory, amber, horns of sea-horses, and various kinds of stones was the wonder of the world. There were found all kinds of cotton and silk manufactures, perfumes, innumerable things of ivory, beautiful woodwork of all kinds, bedsteads of all colours, works of art made of coral, as well as agates, cornelians, onyxes, and other precious stones, delicate cushions, quilted cloths, canopies of delicate workmanship, beautiful paintings, shields made of tortoise-shells which were "wrought and inlaid very workmanlike," fair signets, rings, buttons, handles of knives, and beads of white-as-milk stone which were sold in all parts of the world.

Speaking of the excellence of cotton cloths, Linschoten says that "they make some so fine, that you cannot perceive the threads, so that for fineness it surpasseth any Holland cloth."

The enthusiastic evidence of Pyrard on the greatness and originality of Indian industries and the wonderful culture of the people is of permanent interest:—

In short, I could never make an end of telling such a variety

¹ Yule's *Cathay*, Vol. II, p. 355; Marco Polo, Vol. II, p. 389; Varthema, pp. 105-7; and Nikitin, II, p. 20; III, p. 19. Realistic description of Cambay by Valle, I, p. 67 *et seq.* Cf. Polo's description of Gujerat, p. 383, and of Monfart, pp. 16-20. Cf. Barbosa—"Thus from Mecca and Aden alone they bring hither coral, copper, quicksilver, vermilion, lead, alum, madder, rose-water, saffron, gold, silver (coined and uncoined), in such abundance that it cannot be reckoned." Conti, early in the fifteenth century, speaks of it as "a very noble city," and Nikitin calls it "a port of the whole India sea."

of manufactures, as well in gold, silver, iron, steel, copper, and other metals, as in precious stones, choice woods, and other valued and rare materials. For they are all cunning folk, and owe nothing to the people of the West, themselves endued with a keener intelligence than is usual with us, and hands as subtle as ours; to see or hear a thing but once, is with them to know it. A cunning and crafty race not, however, fraudulent, nor easy to defraud. And what is to be observed of all their manufactures is this, that they are both of good workmanship and cheap. I have never seen men of wit so fine and polished as are these Indians; they have nothing barbarous or savage about them, as we are apt to suppose. They are unwilling, indeed, to adopt the manner and customs of the Portuguese; yet do they readily learn their manufactures and workmanship, being all very curious and desirous of learning. In fact, the Portuguese take and learn more from them than they from the Portuguese; and they that come fresh to Goa are very simpletons till they have acquired the airs and graces of the Indians. It must then be understood that all these countries of Cambaye, Surat, and others (in the region) of the river Indus and of the Grand Mogor, are the best and most fertile of all the Indies, and are, as it were, a nursing-mother, providing traffic and commerce for all the rest; so, too, is the kingdom of Bengal, where their manners and customs are the same. The people, both men and women, are there more cultivated than elsewhere; those countries are the mart of all the ships of India, and there living is better than anywhere else.

No people in the world know so much about pearls and precious stones; and even at Goa the goldsmiths, lapidaries, and other workmen occupied with the finer crafts are all Banians and Bramenis of Cambaye, and have their own streets and shops.¹

Cambay was encompassed with a strong brick wall, and had high and fair houses. This mart of Gujerat was "so haunted by the Portugals that you shall often find two hundred frigates at once riding there."²

¹ Pytard, II, p. 230; cf. Monfart, p. 16.

² "Cambaya was a very fair city and had a very good and busy harbour. Innumerable small barks went in and out of the port. Spices, China silks, sandals, ivory, velvets of Vercini (?), great quantity of Pannina which came from Mecca, gold coins called Chickinos (= 7s.) were brought in. The boats which left the harbour were usually laden with an infinite quantity of cloth made of bumbast (cotton) of all sortes, as white, stamped and painted with great quantity of Indigo, and conserved dried ginger, Myrabolans,

There was such a large amount of traffic with Goa that two or three times a year "*there went together from three hundred to four hundred vessels,*¹ called *Caflas*, of Cambaya, like the caravans of Aleppo." At Goa the whole city looked for these fleets, as in Spain they awaited those from the Indies. At the arrival of a Cambay Fleet, we are told the joy of the merchants and the whole people was marvellous. C. Frederick says that *innumerable vessels came in and out of the harbour, and adds, "If I had not seen it, I could not have believed that there should be such a trade as there is."* The outgoing ships were laden with the produce and the manifold manufactures of Gujerat. Yet the principal exports can be pointed out as indigo; great stores of precious stones, not of the fine sorts, such as diamonds and rubies, but of other kinds, which they knew how to cut skilfully and to work into a thousand pretty things; rock-crystal, iron, copper, rock-alum, wheat, rice, vegetables of various varieties, medicinal drugs, butter, oils of divers sorts, perfumes, white and black soap, sugar, conserves, paper, wax, opium, calicoes of all sorts, cloths painted with various figures, woollen carpets for rough use, cotton carpets with stripes of many colours; cabinets made in the German style and inlaid with mother-of-pearl, ivory, gold, silver, and precious stones; small cabinets, coffers, and boxes of tortoise-shell, "*which were polished so clearly*

dried and candied, Boraso in paste, great store of sugar, great quantity of Cotton, abundance of Opium, Assafetida, Puchio, with many other sortes of druggs, Turbants made in Diu, great stones like to Corneolaes, Granats, Agats, Diaspary, Calcidoni, hemitists, and some kinds of natural Diamonds.

During the time I dwelt in Cambaitta, I saw very marvellous things; there were an infinite number of Artificers that made Bracelets called *Manhii*, or bracelets of Elephants teeth, of divers colours, for the women of the Gentiles, which have their armes full decked with them."

Polo's contemporary, Marino Sanudo, called it one of the two chief ocean-ports of India, and in the fifteenth century *Conti* described it as 14 miles in circuit.

¹ Cf. Varthema's remark that forty or fifty vessels laden with cotton and silk stuffs sailed from Cambay every year. Again, 300 ships of different countries come and go here (p. 111). Portugal frigates came in fleets two or three times from September to December, guarded by the Portugal "Armato" (Armada) of frigatts; such that you shall see 200 frigatts in a fleet going or coming from Cambaia to help lade the carricks at Goa" (Jourdain).

that nothing could have a prettier effect," tents, bands, called "*Parcutes*," of fine white cotton, couches and bedsteads that were painted and lacquered with all manner of colours and designs; silk-stuffs of all kinds, pillows, counterpanes, coverlets of silk, "painted with much neatness and cleverly worked."

Pyrard remarks that *cloths had the whiteness of snow and were very delicate and fine*. Gujerat was the home of textile manufacture. Its silk- and cotton-stuffs were the principal source of riches in India. Pyrard has understated the truth when he remarks that everyone from the Cape of Good Hope to China, man and woman, is clothed from head to foot with stuffs made in Gujerat. We know that all the countries of Asia, Eastern Africa, and of Europe, too, depended upon India for their cotton clothing. In fact, almost the whole planet got its supplies of fine fabrics from Gujerat, "the Lancashire of India," Bengal, the "Paradise of Nations," and the numerous cities of the Coromandel coast.

The considerable traffic of this premier port of India could not amount to less than 100,000 tons per annum. Taking the tonnage of barques plying between Goa and Cambay to be 50 tons each, we find the outward total tonnage from Cambay to Goa comes to more than 43,000 tons.¹ Assuming half of the Din traffic with Cambay, we have 48,000 tons for the two ports alone. When we think of the Cambay trade with Mocha, Ormus, Maldives; and the numerous ports of India, we are sure that the most modest estimate could not be less than 100,000 tons per annum.

Surat, the "gate of Mecca," or the "city of the sun," was another celebrated port of Gujerat. It could not rival the traffic, wealth, prosperity, and culture of the now-forgotten port of Randir in the beginning of the sixteenth century. Both the cities suffered terribly from the destruction wrought by the Portuguese in 1512 and 1530. Randir could not recover from that mortal blow, so that much of the traffic was transferred to Surat. The Rev. Patrick Copland (1611-14)

¹ 350 barques $\times \frac{1}{2}$ times \times 50 tons each barque = 43,750 tons.

found in it many stone and brick houses which were fair, square, and flat-roofed. The city was adorned with goodly gardens full of various fruits continuing all the year round. The people were "grave, judicious, neat, tall, goodly cloathed in long white Callico or Silk robes."¹ It could use everything from whatever quarter in India it might come. As at Cambay and Goa, commerce was very extensive here, both in exports and imports, because the Mogul Empire and the Moslem Deccan States swallowed a great deal of goods, to which might still be added the great demand of the decaying Vijyanagar chiefs. This meant a considerable vent of every kind of merchandise. It was also a very convenient place for the exchange of Malabar, the Deccan, and up-country goods. Hence, it was "one of the most eminent cities for trade in all India."

Surat annually exported² all sorts of piece-goods, white, coloured, and striped, for which Gujerat was so famous, and all the other goods provided by Cambay, besides Chinese, European, Malabar, Southern and Eastern commodities of all kinds. It was also an entrepôt for the up-country produce as far as Cashmir, Lahore, and Agra. Taking into consideration the very considerable activity of Surat, we shall find that, for reasons stated elsewhere, the aggregate gross tonnage of the ships entering or leaving Surat probably approached the amount of 20,000 tons per year. (App.)

The Decay of Malabar Ports

Next to Surat, *Daman* was a place of moderate trade under Portuguese control. It had lost its ancient importance, as had other ports on the same coast.

*Bassein*³ was, however, the great shipbuilding harbour of those days. It has also rich quarries of very fine and hard

¹ Cf. Valle, I, pp. 10-16, 296; Copland in Purchas, E. S., IV, p. 140; Payton (1613), Purchas, E. S., IV.

² Finch in Letters Received, I, p. 30; Terry in Purchas, E. S., IX, p. 24; Samuel Bradshaw's report on Surat exports and imports; Letters, I, p. 76; Bombay Gazetteer, Vol. II.

³ Valle, I, pp. 140-3.

freestone resembling granite, and was the favourite resort of the wealthier Portuguese, as well as the seat of the governor, who was styled the General of the North. Next to Ormus, it brought the greatest revenue into the Portuguese treasury.

Dabul,¹ a port of very great antiquity, was a place of much traffic in all sorts of merchandise in the days of Barbosa and Varthema. Although it had sadly suffered under the adverse influence of the Portuguese, yet it was not a mean place at the end of the sixteenth century. According to Green, the town had "nine ships of great burthen and draughts, the least of them drawing 18 or 20 feet, being laden." These ships yearly sallied out with very rich commodities. Jourdain informs us that two or three ships of great burden and far richer than those that went for Surat, every year sailed to the Red Sea, and two more very rich ships used to go to Ormus.

*Chaul*² had remained one of the most important seaports in Western India from long before the days of Ptolemy. It was the chief mart of Gujerat and a place of great commerce at the time of Barbosa's visit. De Barros describes it as a city which in population and size was one of the most important of that coast. It did not lose its importance during the sixteenth century on account of its excellent position as an entrepôt for the Malabar and Cambay ships. Pyrard alludes to it in these words: "The country there is vastly rich, and productive of all kinds of valuable merchandise, which the merchants from all parts of India and the East come to seek. But the chiefest are the silks, which are obtained there in such quantity that alone they almost supply Goa and all India. They are of a different quality from those of China; and at Goa no account is made of any but Chaul silk, whereof very pretty stuffs are made; it also largely supplies choice cotton fabrics."

¹ Barbosa, p. 72; Varthema, p. 114; Pyrard, II, p. 259.

² Barbosa, p. 69; Linschoten, I, pp. 63-4; Frederick in Purchas, E. S., X, pp. 91-2; D'Cunho's History of Chaul and Bassein; cf. Varthema, pp. 113-14.

“Golden Goa”

Before we pass on to Goa, it should be remembered that many ports had fallen into decay during the hundred years of Portuguese domination in the Indian waters. Barbosa names about fifty seaports from Debul Sind to Comorin on the western coast of India. The Portuguese monopoly very much curtailed the activities of small ports and concentrated commerce in a few big cities alone. The works of Linschoten, Pyrard, and other travellers take no notice of the numerous port towns so enthusiastically described by Barbosa. Goa, the metropolis of the Portuguese East, had robbed all other ports of their ancient importance and fame. “Golden Goa” stood, “like imperial Rome, on seven hills.” It had become a wonder of the East for its power, opulence, trade, elegant buildings, and the luxury of its inhabitants. It was the rendezvous of the merchants of all Eastern nations. Venetians, Italians, Germans, Flemings, Castilians, and Englishmen were also settled there. It was “a marvel to see the great multitude of people that came and went every day by sea and by land, on all manner of affairs.” According to Pyrard, it was the finest spectacle in the world to see the vast number of ships that lay at anchor in the harbour. The mighty traffic and commerce that was done there, was such, indeed, that every day “seemed fair-day.” Its population has been estimated to be 225,000 souls, three-fourths of whom were Christians, and yet the clergy were not included in this estimate. Being the seat of the Portuguese Government in the East, it was a centre of all their commercial activities. Its immense traffic is evidenced by the arrival of about one thousand Cambay barques, by a fleet of about two hundred and fifty ships bound for the south and other fleets for Ormus, Africa, and Europe. The annual tonnage of the ships entering and leaving Goa for the various parts of the world must have been far more than that of Cambay.¹

¹ Pyrard, II, pp. 27, 67, 178; Linschoten, I, p. 184; Purchas, E. S., X, p. 101. “Goa,” by Klognen, p. 20; Varthema, pp. 119-25.

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¹ Pyrard, II, pp. 27, 67, 178; Linschoten, I, p. 184; Purchas, E. S., X, p. 101. “Goa,” by Klognen, p. 20; Varthema, pp. 119-25.

The Malabar Trade

The whole strip of the sea coast from Goa to Comorin was, and is even now, known by the name of Malabar. It has been described as wonderfully fertile, vastly rich in natural resources and productive of many kinds of valuable merchandise which merchants from all over the East and the West came to seek at its numerous ports. Onore, Barcelor, Cannanore, Calicut, and Cochin were the principal ports which, with the exception of Calicut, were held by the Portuguese. Large quantities of pepper, ginger, cinnamon, cardamoms, beetle, areca, coconut, copra, coconut oil, fine timber for the manufacture of ships and house furniture, rice, butter, sugar, and palm-sugar were exported from all these ports. Different kinds of cotton cloths were also available for export.¹

The Portuguese, however, controlled the exclusive purchase of pepper, and none others dared buy it in those parts. As the allied princes and their subjects had liberty to trade with or without the Portuguese passports, the best pepper was exported to Mocha and other places, and the worst handed over to the Portuguese on account of their offering fixed rates which had been settled by several treaties with the Malabar princes.² The King of Portugal had prohibited the export of ginger on the ground that it interfered with the sale of his pepper. On account of this restriction, the West Indies ginger was largely used in Europe in those days. It is strange to say that cinnamon, the third great product of Malabar, was also forbidden to be carried into Portugal; yet

¹ Pyrard, II, pp. 355-6; Frederick in Purchas, E. S., X, p. 102; Linschoten, I, p. 70. The people of Malabar, especially the Moguls, Nairs, merchants, and bankers, lived in great luxury. They wore ear-rings of very precious jewels and pearls set in gold, on their arms from the elbows upwards gold bracelets, with similar jewels and strings of very large pearls. At their wrists they wore jewelled girdles. They always used perfumes, sat upon carpets of cloth of gold and silk, and leant upon pillows of cotton, silk, and fine cloth. But the lot of the common people was very deplorable. This account of Barbosa is confirmed by Pyrard after the lapse of a century (Barbosa pp. 40-48; Pyrard, I, pp. 377, 385-8).

² Portuguese Records (Doc. Remettidos, Vol. I, doc. 8).

a great quantity of it was every year shipped under the name of Ceylon cinnamon, and full customs duty was paid on it. According to Linschoten, its price was 25-30 against 100 pardaos for the Ceylon kind. The manner of Portuguese trade with the Malabar ports will be described later on. Here we will notice the great traffic of the two important ports of Calicut and Cochin.

Calicut was the greatest Malabar port before the arrival of the Portuguese. Their frequent depredations on its shipping, and continued wars both on land and sea against its King, reduced the great traffic of this famous city. The rival town of Cochin became, next to Goa, the centre of Portuguese commerce in India. The Raja of Calicut ever remained a sworn enemy of the Portuguese, and continually harassed them by an organised system of piracy conducted under his patronage by the Malabars.¹ With the decay of the Portuguese power in India, he began to regain his former supremacy. Pyrard found his country thickly populated and adorned with great and beautiful cities, of which the chief was Calicut. No country in all the Indies was, in his opinion, better furnished with all commodities. It was famous for a marvellous abundance of pepper, ginger, cinnamon, cardamoms, tamarind, cocoanuts, rice, and different kinds of wood which were the principal source of the country's wealth. A great store of precious stones of all sorts, except diamonds, very fine cotton fabrics which bear the name of "calico," and "divers sorts of painted and patterned tapestry," were exported from it.² It has been described as a very fair and great city, "the busiest and most full of all traffic and commerce in the whole of India." It had merchants from all parts of the world, and of all nations and religions by reason of the liberty and security accorded to them there. The circuit of the city proper was more than five leagues. It was really a large district covered with handsome, large, and magnificent buildings and spacious enclosures in such wise that a single house required a very

¹ Linschoten, I, pp. 68-73; Pyrard, I, p. 375, for the sound policy of the Raja.

² Pyrard, I, pp. 371, 398-400.

large space for all its gardens, orchards, fish-ponds, and plantations. Their markets were so full of people of all races, from the Cape of Good Hope to Japan, all the day long, that it was difficult to pass through them.

Such is the glowing description of Calicut at the beginning of the seventeenth century from the pen of Pyrard, whom eight months' residence in this famous city gave exceptional opportunities to observe the grandeur and prosperity of a great commercial town under Indian rule. Calicut was then outrivalled by Cochin in traffic, opulence, and elegance of buildings. The latter had become the greatest centre for the export of Malabar produce to all parts of the world. Next to Goa it was the important emporium of Portuguese trade. There were really two towns known by the name of Cochin, the one under the Moslem king of its own and the other under the Portuguese. Both were connected with each other by beautiful suburbs, and were practically one so far as trade was concerned. Their traffic must have been very considerable, because ships to and from Portugal, Malacca, and China touched here, and the whole Southern Armada made Cochin its resting-place for a few days. There was also a great direct traffic with Bengal. Many ships laden with Malabar produce and cowries brought from the Maldives left Cochin every year for Bengal, the Coromandel coast, and the Eastern countries. We learn from Bacarro (Manuscript, folio 315) that thirty ships or more used to come to Cochin every year from Bengal, and that every ship brought a capital of more than 20,000 xeraphins. In other words, the value of Bengal exports to Cochin alone was 600,000 xeraphins, or £130,000 per annum.¹

“The Pearl Island.” The fertile island of Ceylon,² where the Portuguese held the port of Colombo with a few other minor ports at a great expense on account of continual wars with its inhabitants, has been the seat of great traffic from the remotest antiquity. There was constant intercourse between India and Ceylon from prehistoric times. It has been

¹ Pyrard, I, pp. 433-8; Hobson-Jobson, p. 423.

² Barbosa, pp. 146-51; Pyrard, I, p. 401.

famous for its cinnamon, areca, cardamoms, elephants, ivory, ebony, snake-wood, precious stones, such as topaz, emeralds, garnets, water sapphire, chrysoliths, spinels, star stones, firmament stones, rubies, hyacinths, cat's eyes, ape stones and serpentine stones, and small quantities of gold, silver and iron, but above all, pearls, which have given the country the romantic name of the "Pearl Island." Coffee and tea were not among the produce in those days. There must have been a great traffic for all these valuable articles. No definite idea of the volume of its trade can be had. *Ribeiro observed that no less than a thousand small boats were loaded every year with areca alone.* According to Pyrard, areca grew in such abundance that all India was supplied with it from Ceylon, so that "a great traffic was carried on to all parts, for whole ships are laden with it for conveyance elsewhere." Then trade in cinnamon and elephants was no less considerable. These animals, being obtainable there at a small price, were carried to India and sold at from 1000 to 1500, and some even so cheap as from 400 to 600 ducats in the Malabar and Coromandel countries. We have also to take into consideration the number of ships that arrived there from Bengal and the Coromandel coast laden with cloths, rice, butter, and other provisions. At least one Portuguese galleon used to go to Ceylon every year for the lading of cinnamon, and then Indian junks from the whole western coast of India went there for exchanging Indian products with the valuable commodities to be obtained in the island. Under these circumstances 15,000 tons of shipping will be a fair estimate of the Indo-Ceylonese trade.¹

The Coast of Coromandel was said to extend from *Negapatam*² to the celebrated port of Masulipatam. The former was a very great city, and "very populous of Portugals and

¹ Linschoten, I, p. 80; Pyrard, II, pp. 140-50, 358; Barbosa, p. 170. The wonderful and delicate workmanship of the Ceylonese in gold, silver, ivory, iron, steel, and other materials has been eulogised by both Linschoten (I, p. 81) and Pyrard (II, p. 142).

Some stones were half ruby and half sapphire, others were half topaz and half sapphires, and also cat's eyes (Barbosa, p. 169).

² Dutch Records, Vol. XXIII, 639, doc. C. Frederick, pp. 108-9. Correa (1540) saw 700 sail loading rice at Negapatam (Hobson-Jobson, p. 974).

Christians of the country and part Gentiles," though it was a place of small trade. Next came the famous port of *St. Thomé* or Mailapur, the chief city of Narsingha or the Vijyanagar state, and a town of great traffic. Though not very extensive it was, in the judgment of Frederiek, the fairest in all that part of the Indies.¹ The sea was very dangerous, and yet the people could dexterously lade and unlade ships by means of their barques, called "catameroni" by Balhi, and catamarans in later times.² It seems to have regained its former greatness under the Portuguese, for Barbosa speaks of it as almost uninhabited. Then ten or twelve miles south of Masulipatam was *Narspur Petta*, situated on the banks of a river. It was the greatest centre of the shipbuilding industry on that coast. Moslems, Portuguese, and Hina built their vessels in that place, since all materials, wood, iron, and other things, were found there in abundance, and also the wages of workmen were very low.

Masulipatam, immortalised by Ptolemy in his *Tables* and the *Periplus*³ as Masalia, has been since the date of authentic history famous for the export of cotton piece-goods. Kalinga was already well known for its diaphanous muslin at the time of Sakya Muni Gotam (600 B.C.), as may be seen in a story related in the Buddhist annals.⁴ It was a very busy seaport. Every year ships were sailing to the coasts of Bengal, Arracan, Pegu, Tenasserim, laden with all sorts of cotton cloths, glass, iron, cotton yarn, both red and white; tobacco and certain sea-shells called cowries, which were used as money in Bengal and Arracan; also some spices and sandal-wood. In return they brought rice, cotton, silk, seed of gingili, sugar, all sorts of woven fabrics, some fine quilts, rubies, sapphires, gum-lac, benzoin, gold, tin, dyeing wood, glazed and porcelain ware, and a certain beverage called "Nijpa."

Ships also sailed to Malacca, Achin, Priaman, Queda, and Perak, laden with all sorts of painted cloths and rice, bringing

¹ Barbosa, p. 174; Linschoten, I. p. 82.

² Balbi, *Viaggio*, I. 82; Fryer, p. 21.

³ *Periplus*, p. 47. ⁴ Marco Polo, p. 349.

in return sulphur, camphor, silk, tin, and some Gujerat cloths, also pepper from Priaman, and some chinaware which they bought there from the Chinese for selling on the coast.

Other ships sailed to Ceylon and the Maldives, laden with rough cotton cloths, bringing in return "kayro"¹ for making ropes, and "cocoa-nuts which were antidotes against poison." From Ceylon they brought cinnamon, fine mats, cocoa-nuts, and some precious stones, to be sold on the coast, especially at Masulipatam.² *Sometimes one hundred ships were seen sailing from the Southern Islands,³ "laden with spicerie, linen-cloth, and china commodities; besides stones and other wealth."*

On account of this immense traffic the whole country along the coast, except the kingdom of the Carnatic or Carnata of old, was in a most flourishing condition. A great number of magnificent temples, extensive pagodas, elegant public buildings, fortified towns and maritime cities were incontestable monuments of its vast riches, arts, and industries. The towns of Pulicat, Sadras, Conjivaram, Cuddalore, and St. Thomé were centres of maritime commerce. The manufacture of cotton fabrics of exceeding fineness and of various kinds, coloured, painted, white, was a speciality from most ancient days. *Marco Polo found the most delicate buckrams of the highest price which "in sooth looked like tissues of spiders' web" being exported to all the quarters of the planet. "There is no King or Queen in the world but might be glad to wear them,"*⁴ was the concluding remark of that keen observer on the excellence of those cloths. Then at the close of the sixteenth century, Linschoten observes that "there is excellent faire linnen of cotton made in Negapatan, Saint Thomas, and Musulepatan, of all colours, and woven with divers sorts of loome workes (flowers) and figures, verie fine and cunningly wrought, which is much worne in India, and

¹ See Hobson-Jobson.

² Dutch Records, I, 27, doc. 16, 7-8; John Davis (1599); Purchas, II, p. 325.

³ R. Fitch (1583-91) in Purchas, E. S., X, p. 172.

⁴ Polo, p. 349.

better esteemed than silke, for that it is higher prised then silke, because of the fineness and cunning workmanship."¹

Besides these piece-goods and chintz, diamonds, rubies, pearls, agate, indigo, rice, etc., used to be exported in return for spices of all sorts, sulphur, spelter, tin, lead, musk, Pegu rubies and spinels, Malabar pepper, vermilion, quicksilver, coral, alum, gum-lac, benzoin, gold, all sorts of China silk-stuffs, porcelain, sandal, copper, camphor, velvets, rose-water, opium, many Cambay and Europe goods.

From the Coromandel we pass on to Orissa and Bengal. The produce and manufactures of the former as described by Frederick and Fitch,² were in general similar to the two countries between which it lies. Bengal was rightly called the "Paradise of Nations" on account of its extraordinary fertility and the incredible abundance and cheapness of its manifold produce. Barbosa names Bengala³ as the principal

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¹ Linschoten, I, p. 91.

Barbosa describes the Hindu merchants of this coast as "very sharp, great accountants, and dexterous merchants" (p. 174). F2

² Frederick, p. 112; Fitch, p. 152. In the port of Orissa, every year were laden, twenty-five or thirty ships, large and small, with rice, various sorts of fine white calicoes, oil, great store of butter, lac, long pepper, ginger, mircobians, great store of cloth of "heries," which was a kind of silk that "groweth amongst the woods without any labour of man" (Frederick, p. 113).

³ The situation of Bengala, according to the ancient maps, is a little further east of Chatigam or Chitragong, the Porto Grande of the Portuguese. For instance, the positions of the principal ports on the Bay of Bengal, going from west to east, are given as follows:—

Map of Linschoten—Satigam, Chatigam, Bengala.

„ Sir T. Ross—Angeli, Satigam, Buanaper, Chatigam, Bengala.

„ N. Sanson—Ongely, Satigam, Chatigam, Bengala (A.D. 1652).

„ D. Johnson—Satigam, Chatigam, Bengala.

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But the position is reversed in the map of Di Giacopo di Gastatchi *pi monte e Comographie* (K. 115, 21): Satigam, Bengala, Chatigam.

Then we read these words in the Map of Commerce (A.D. 1638): "In Bengala are found the cities of Cattigam and Satigan, and principally for trade that of Bengala, on the banks of a Gulph known by that name."

It is very strange that Abul Fari, Frederick, and Ralph Fitch should make no mention of the port of Bengala. If it was a very great centre of trade, it could not be left by the three keen observers who had personal knowledge of Bengal and its neighbouring kingdoms.

Mr. Manuel L. Dames has examined the whole controversy on the situation of this port in his edition of the Book of Duarte Barbosa, and arrived at the conclusion that, "Gaur taken together with its subordinate ports was the place known as Bengala in the early part of the sixteenth century" (Vol. II, p. 145, *Hall Soc.*).

mart of the province. It was a very great city with a very good harbour. Many foreigners, as the Arabs, Persians, Abyssinians, Portuguese, and Gujerats lived there. They were all great merchants and owned large ships of the same build as those of Mecca, and others of the Chinese build which they called "Jungos." These were "very large and carried a very considerable cargo." With these vessels they navigated to the numerous ports of the Coromandel, Malabar, Cambay, Pegu, Tenasserim, Sumatra, Ceylon, and Malacca, and traded in all kinds of goods. They lived in great luxury, and even the common people were well off. The latter wore white shirts half-way down the thigh and drawers, and very small head-wraps of three or four turns; all of them were "shod with leather, some with shoes, others with sandals, very well worked, sewn with silk and gold thread."¹

One century after, both Linschoten and Pyrard² fully bear out this account in all its details, only the ancient port had lost its importance. Satgaon, commonly called by the Portuguese Porto Pequeno, was the traditional mercantile capital from the Pauranic age to the time of the foundation of the town of Hugly by the Portuguese. Frederick and Fitch both describe it as "a reasonable faire citie for a citie of the Moores" and one which abounded in all things.³ Every year thirty or thirty-five ships were laden with Bengal merchandise, and the former traveller saw eighteen ships of the Portuguese at the port. Its decay commenced in the latter part of the sixteenth century, owing to the silting up of the channel of the Saraswati. Abul Fazl clearly mentions that out of the two towns of Satgaon and Hugly, situated at a distance of a mile from each other, the latter was the more important, and that both of them were in the possession of the Europeans.⁴

These were no other than the Portuguese outlaws who had

¹ Barbosa, p. 181; Varthema, p. 210: "One of the best that I had hitherto seen."

² Linschoten, pp. 92-7; Pyrard, I, pp. 333-4.

³ Frederick, pp. 114-15; Fitch simply borrows his account from Frederick, p. 182.

⁴ Ain-i-Akbari, II, p. 125.

no forts, nor any government, nor policy as at Goa, but "lived in a manner like wild men, and untamed horses."¹ They did much mischief by their piracies, "living in no forme of subjection to God or man."²

The principal exports of Bengal were its piece-goods of various sorts, named "Sarapuras, Cassas, Comsas, Beatillias, Satopassas, and a thousand such-like names." *These were very fine and much esteemed in India.* They were not only carried all over India and the East, but also into Portugal and other countries of Europe. Fine and flowered tussar³ stuffs were another speciality of Bengal. Butter, rice,⁴ wheat, opium, saltpetre, raw silk, ginger, lac, cotton, long pepper, borax, musk, agate, civet,⁵ elephants, furniture, and large quantities of black and red pottery, like the finest and most delicate *terre sigillee*, fruits and scented oils, sugar⁶ and rattan—these might be named as the chief commodities which were imported from the province. The leather⁷ industry was no less remarkable. The last, but by no means the least, articles of export were the slaves and eunuchs of Bengal. According to the testimony of Barbosa, eunuchs were sold as merchandise for 20 or 30 ducats each to the Persians, who valued them

¹ Linschoten, I, p. 95.

² Wm. Finch, p. 71; confirmed by many other travellers, as Pyrard, I, p. 334; Bernier, I, p. 94.

³ *Herba cloths* were so decorated with "flowers, branches, and personages that it was wonderful to see, and they were so finely done with cunning workmanship, that they could not be mended throughout Europe" (Linschoten, I, p. 96).

⁴ Rice was more abundant than in all the rest of the Eastern countries. Every year divers ships came there from all places, and yet there was "never any want thereof, and all other things in like sort, and so good cheap that it were incredible to declare."

⁵ Civet was had in Bengal on account of adulteration and was much brought into India from Portugal, where it was obtained from Guinea (Linschoten, II, pp. 95-6; Pyrard, I, pp. 327-31).

⁶ Sugar.—Barbosa states that they did not know how to make loaves of sugar, yet many ships were laden with powdered sugar for sale to all parts (p. 179).

⁷ Leather.—The harness of Goa horses, as, in fact, in other parts of India, was supplied from Bengal, China, and Persia; it was all of silk embroidery, and enriched with gold and silver and fine pearls. The stirrups were of silver gilt, the bridle was adorned with precious stones, silver, and with silver bells (Pyrard, II, p. 75. See the description of the Vijayanagar army by Nuniz and Paes. Sewall's *Forgotten Empire*).

much as guards to their wives and houses. Both ^{N.2} Linschöten and Pyrard have given detailed accounts of the existence of slavery in Bengal.¹

Gold and diamonds,² though probably not exported, were found in small quantities in the country.

In exchange for its cheap and abundant exports, Bengal received all sorts of spices, ivory, ebony, and many other sorts of fine wood for the making of house furniture; cowries, tin, copper, spelter, salt, sandal, radix china, rhubarb, porcelain, but above all, every sort of coined money. Need we say that Bengal was annually enriched with a large influx of gold and silver, brought for the purchase of its much-needed produce and manufactures? It yielded the palm to none in the excellence of its extremely fine and delicate fabrics, coloured as well as white. From the days of Chandergupta Mauriya³ (fourth century B.C.) to the end of the eighteenth century, the textile industry was the mainstay of Bengal as of all India. Pyrard outdoes Linschoten in his praise of Bengal piece-goods. "*Some of these cottons and silks are so fine that it is difficult to say whether a person so attired be clothed or nude.*"⁴

The finest muslins of Bengal were known to the ancient Greeks, from whom they received the name of Gangitiki, indicating that they were made on the borders of the Ganges. They were known to the world by many picturesque names, as "flowing water," "morning dew," "woven air," and the like. This wonderful superiority continued for more than two millenniums, and made Bengal a sink of silver and gold.

The Near East. Passing from Bengal along the coast, we see many small kingdoms, like those of Arracan, Martaban,

¹ Barbosa, p. 180; Varthema, p. 258; Linschoten, p. 94; Pyrard, I, p. 332.

² The manner of finding out *diamonds* from river beds has been described by the native historian whose work was translated by Gladwin (p. 24).

³ Cf. Kautilya. Of cotton fabrics, those of Madhura (southern coast of Coromandel), of Aparanta (Concan), western parts of Kalinga (Orissa and Northern Coromandel), of Kashi (Benares), of Vanga (Bengal), of Vatsa (Kausambi, near Calicut), and of Mahisha (Mahashmati), are the best (p. 94).

⁴ Pyrard, I, p. 329; cf. Barbosa, p. 95.

Tenasserim, Pegu, Siam, Camboja, and Cochin China.¹ With all of them India had direct commercial relations. All these territories can be treated in one group. They yielded, as they do even now, large quantities of fragrant wood, as aloes wood, benzoin,² and the "costly sweet wood called calamba (*Lignum aloes*), which being good was weighed against silver and gold." Sapan wood, rhubarb, radix china, musk, camphor, lac, ivory, tin, spelter, long pepper, elephants, and glazed earthenware were the chief articles of export. The most valuable contribution to the markets of India was in gold, silver, rubies,³ sapphires, spinels, some diamonds and emeralds, and bezoar stones which were very costly, being antidotes to poison. Cochin China was, moreover, noted for its great quantities of raw silk, silk-stuffs, marble, fine skins, and many other commodities that China proper produced.

These countries took in payment of their valuable goods a few Europe-manufactured articles through the Portuguese, but mainly white and coloured piece-goods from Bengal, Coromandel, and Gujerat; various silk-stuffs made in India, Cambay drugs, pearls, Malabar pepper, rose-water, lead, iron, steel, copper, vermilion, and quicksilver. Spices and chinaware were brought from the port of Malacca. Frederick says that one ship sailed in September from St. Thomé with white and painted cottons and a great store of red yarn, while another ship from Bengal laden with fine cotton cloth of all sorts arrived at the departure of the St. Thomé ship. A small bale of cloth cost a thousand or two thousand ducats. Many small vessels from Malacca and ships from Mecca laden with woollens used to visit these kingdoms every year.

The Spice Islands, lying to the south-east of India, next claim our attention. The Moluccas, Java, Sumatra, and Borneo have been famous for their spices, gold, and other

¹ For general description of the products of these countries, see Linschoten, I, pp 97-101; C. Frederick, p 125; Balbi, p. 157; Barbosa, p. 184.

² *Benzoin*.—"It is much trafficked withal throughout India, for it is one of the costliest drugges in all the Orient, because it excelleth all others in sweetness" (Linschoten, pp. 96-8; Pyrard, p. 360; Monfart, p. 34).

³ *Rubies*.—"They have such quantities that they know not what to do with them, but sell them at most vile and base prices" (Frederick, p. 13).

valuable products since the days of Rama, and later on of Ptolemy. All of them were extended limbs of India, on account of the settlements of the Indians and the great traffic carried on between them and the mainland. The wave of Moslem dominance swept away the ancient Indian civilisation, yet the economic connection was not severed. The Portuguese controlled the major part of the traffic by holding the fortified city of Malacca, the great centre of Indo-Chinese trade. Varthema asserts that more ships arrived here than in any other city in the world.¹ It continued in its prosperity all through the sixteenth century under Portuguese rule, so that Camoens has rightly styled it the Home of Opulence.² In the beginning of the seventeenth century Pyrard attests to its greatness by remarking that it was the richest and busiest in all the Indies, after Goa and Ormus, owing to the great cargoes from Japan, China, India, the Moluccas, and other adjacent islands.³ All ships between Goa and Japan had to pay their dues there. It was a great market for cotton-stuffs, Cambay drugs, Malabar pepper, Bengal sailcloth, sugar, salt, opium, beads, and leather articles from various parts of India. China porcelain, Japan curiosities, Persian tapestries, European woollens and metals were in great demand.

The Clove Islands of the Moluccas consisted of a group of well-known islands, Ternate, Tidore, Mortir, Bachian, and Makian. They had such a marvellous quantity of cloves that the whole world was supplied therewith by them. They also exported camphor, gold, tin, ivory, rattan, rosin, amber, benzoin, and paradise-birds.⁴

The independent kingdom of Banda yielded no other

¹ Varthema, p. 224; Barbosa, p. 191.

² Camoens, X, p. 44.

³ Pyrard, II, p. 150; Linschoten, I, pp. 104-6.

⁴ Varthema, p. 246; Barbosa, p. 202; Linschoten, pp. 116-18; Pyrard, II, pp. 166-7; English Report for goods obtainable in these islands, Letters, I, p. 74; Roe's Embassy, p. 488; Bulcau's Expedition in Harris's Voyages; Voyages under the D.E.I. Co., pp. 278-91; see observations of Saris touching the marts and merchandise of the Near and Far East in Purchas, I, pp. 386-95; description of Banda and Moluccas, by H. FitzHerbert, Purchas, I, pp. 697-9.

products but nutmegs, mace, and paradise-birds. The first two grew so luxuriantly that all the countries were supplied by them. They grew nowhere else.

The island of Jāva has been traditionally famous for its gold and silver mines. It has been called the island of gold and silver since the days of the Rāmāyana, although it has no such mines in it; only the adjacent island of Sumatra deserves this name. It has a great wealth of cereals, for which it was called the "Island of Barley" by the Hindus. It yielded all sorts of spices, as nutmegs, cloves, mace, pepper, better than that of Malabar, but in small quantity; ginger, bamboos, frankincense, though not so good as that of Siam and Malacca, black benzoin, camphor, and precious stones like diamonds, emeralds, jasper, sapphire, agate, carbuncle, and bezoar. The Portuguese had not much traffic here because the people themselves carried their commodities to the various contiguous ports. The goods desired by the Javanese were all sorts of white and coloured linen from Coromandel, Bengal, and Cambay, rials, Spanish dollars, porcelain, woollen and silk stuffs, China and Japan curiosities, opium, amber, coral, and European commodities like broadcloth, iron, lead, vermilion, etc. According to the testimony of Pyrard, many Chinese were settled in the town of *Bantam*¹ carrying on an extensive trade. Every year in the month of January came nine or ten great ships from China laden with all kinds of merchandise from that country.² The town was also thronged with Indians, Arabs, and Christians. Evidently a great trade existed between Bantam and many of the Indian ports.

Sumatra, the "Golden Chersonese," was the nearest place for the supply of gold in India. It was probably known as the Land of Ophir in ancient days. There was a direct trade with it from India for gold, silver, brass, copper, iron, precious stones, pepper, camphor, camphor oil, benzoin, sulphur, sapan wood, tortoise-shell, brimstone, naphtha, amber of various

¹ Voyages, pp. 182-202.

² Linschoten, I, p. 114; Pyrard, II, p. 163; Saris, Hakl., p. 216; Barbosa, p. 108; Voyages under the D.E.I. Co., pp. 145-80.

colours, wax, dragon's blood, rattan, eagle wood, divers drugs, a great store of silk, though not so good as that of China, and paradise-birds. Pepper, however, was the principal product in Sumatra, whence the Arabs and Indians and latterly the Dutch supplied themselves with it. It was bigger and heavier than that of Malabar and hence more prized by Indians. Pyrard says that thirty ships could be laden in one year with it.¹

The great island of **Borneo** had abundance of gold dust and bars, and the best of diamonds. The realm of **Sucadana** yielded pepper in great quantity, as also cloves and nutmegs. It likewise produced very fine white and round pearls; abundant camphor, better than that of China; dragon's blood, bamboos, calamba, and angelica; iron, copper, and tin; bezoar, ape-stone, and goat's stone; wax, honey, and rice.²

From Borneo we pass on to the **Philippine Islands** or the **Manillas**, which were the important centre of Asiatic and American trade of those days. The Spaniards of Mexico, New Spain, and Peru came there by way of the South Seas to supply themselves with Chinese and Indian commodities. As this direct relation had seriously reduced the Spanish-American trade, bullion imports into Spain and the royal customs, the King of Spain made several restrictions to discourage the direct Manilla-American commerce.³ For instance, trade with New-Spain was prohibited to soldiers resident in the Philippines, and a law was made limiting the bullion export from Mexico to Manilla to only 500,000 dollars per annum. Yet more money found its way to the Manillas by clandestine means. The greater part of this trade was with China whence

¹ Camoens, p. 124; cf. John Davis on the produce of Sumatra, 1599, in *Purchas*, II, pp. 317-18; also Sir Francis Drake, *ibid.*, p. 145; Linshoten, p. 108; Pyrard, II, p. 157; *Dutch Voyages*, pp. 136-43.

² Barbosa, p. 203; Saris, *Hakl.*, p. 222; Correa, II, p. 631; Barret in *Hakl.*, II, p. 412; *Letters*, I, p. 79.

³ "Camphor is one of the principallest wares in India" (Lin., II, p. 118). It was worth its weight in silver and some of it even more. It was much in demand all over India (Barbosa, p. 203; *Dutch Voyages*, p. 218).

⁴ Cf. great stores of E.I. merchandise, calicoes, and spices in the town of Pernambuco, captured by Lancaster in 1595 (*Voyages*, p. 45).

from thirty to forty large ships laden with Chinese merchandise usually came to Manilla every year. A few ships full of Japanese and Portuguese merchandise also came from Japan. Then some Portuguese ships went from Malacca laden with spices, Indian and Persian goods, more particularly Indian cloths, and returned laden with civet, tortoise-shell, gold and Spanish money. The value of Manilla trade, based on the returns of customs as given in the memorable work of De Morga (1609), is as below :—

| | Value of Trade. |
|---|--------------------|
| Duties collected on Chinese goods at 3 per cent amounted to 40,000 dollars | 1,333,333 dollars. |
| Duties collected on goods to New Spain at 2 per cent amounted to 20,000 dollars | 1,000,000 „ |
| Duties collected on money and goods from New Spain amounted to 28,000 dollars | 1,400,000 „ |

From the foregoing figures it will be clear that the value of Indian exports to New Spain through the Manillas was not appreciable ; it was very likely below 100,000 dollars.

The Celestial Empire was culturally and commercially connected with India from the remotest antiquity. Chinese diaphanous silks were appreciated in India even as early as 1000 B.C.¹ There was also a great demand for Chinese porcelain, at least after the advent of Moslems in India, if not earlier. The great port of Randir, near Surat, was the most important centre of trade with China and Malacca in the beginning of the sixteenth century. The Chinese commodities “ were concentrated there in greater perfection than in any other place soever.” Every merchant had many glass shelves “ filled with fair and rich porcelain of new styles ” in his house for decorative purposes.² Akbar alone at his death left more than two million and a half rupees’ worth of most elegant vessels of every kind in porcelain and coloured

¹ Mahabharata ; Sabha Parva, II, 25-6 ; Arthashastra (about 310 B.C.), p. 94.

² Barbosa, Hak., II, p. 146 ; cf. Pyrard—“ They import also from thence much porcelain ware, which is used throughout India, as well by the Portuguese as by the Indians ” (Part II, p. 176 ; Part I, pp. 170, 224 ; Linschoten, pp. 129-30.) Jourdain speaks of China dishes worth Rs.50,000 each, and Haulms, Rs.5,000 each.

glass in his treasury.¹ Much of the Randir trade was transferred to Goa and Surat during the Portuguese domination. The great realm of China annually sent its junks to Malacca and India laden with good stores of raw silk, various sorts of stuffs, damasks of all colours, satins of several kinds, and all sorts of embroidery work; rhubarb, sugar, ginger, china root, civet, musk, amber, and wax; porcelain, gold, gold-leaf and wire; steel, copper, quicksilver, tin, lead, and iron pans; flax, cotton, saltpetre, calin or spelter which was much esteemed all over Asia; likewise all sorts of varnished work, mother-of-pearl and tortoise-shell; china-beer, and a great quantity of confectionery. Rubies, sapphires, and some other precious stones, too, were carried out. There were also exported many pretty gilded things, such as very rich chests and trays of gilt wood ornamented with a thousand pretty designs, cabinets made in the German fashion, salt dishes, fans, and delicate works of ingenious men.²

China commonly received through the Portuguese, Japan silver, Spanish dollars, silver bullion; Portuguese and Indian wines; woollens and velvets; Malabar pepper and Sumatra spices; all kinds of crystal and glasswares; drugs from Cambay, sandal, ambergris, olive oil, benzoin, frankincense, rattan, opium, wormwood, saffron, vermilion, coral (wrought and unwrought); fine stuffs from Cambay, Calicut and Bengal; pearls, rubies, diamonds, and all other sorts of precious gems; "precious stones cut and set in rings, chains, carkanets, tokens, ear-pendants, and bracelets"; and in general, all sorts of luxurious articles, which found a very good market there.

The Chinese trade, like that of Malacca, Mozambique and Ormus, was reserved for the ships of the King of Spain. No Portuguese could trade thither, except some grandee on whom was conferred the privilege of making one trading

¹ Valentyn (Java and Surat, p. 217); Vincent's Akbar, p. 412.

² Pyrard, II, p. 175; Linschoten, I, pp. 128-31; Sousa, II, p. 452; Barbosa, p. 200; Pyrard, I, p. 176; Valentyn (China), p. 4.

voyage with one, two, or more vessels. In these ships there always went many private merchants for trade by paying freight to the owner of the ships and the royal dues at different ports. The whole voyage between Goa and Japan took full three years in those days, and yet it was most profitable. We are informed by Sir Thomas Roe (A.D. 1616) and others that China commodities were as dear in India as they were in England.¹ The port of Macao alone was then open to the Portuguese on the extensive coast of China, and hence there must have been an extraordinary concourse of people in that town at the arrival of the Portuguese ships. Besides this restricted trade, numerous Chinese junks plied between China, Malacca, and other parts. China was then, as it is to-day, the greatest sink of silver. Pyrard estimated that silver worth more than seven million pounds was imported into China every year from Europe, Japan, the West Indies, Peru, Mexico, and Chili. This amount, together with the merchandise carried thither, implies a considerable amount of exports from that territory. The ships returning from China were laden with valuable cargoes, being sometimes worth more than £2,000,000.²

Japan. Lastly, we go to the extreme Orient, or the "Land of the Rising Sun." It had not yet awakened from its slumber of ages, had then very few arts and depended upon China and India for the satisfaction of its wants. It consumed almost the same imports as China, with the exception of the great stores of Chinese silk-stuffs which were carried thither by the Portuguese. The returning ships were laden with great stores of silver and gold, some curiosities, hemp, some kind of blue dye as good as indigo, gold, rice, and some sort of varnish. Nagasaki and a few other ports were open to the Portuguese. The Japanese trade formed part of the Chinese adventure,

¹ Monsieur de Monfart says that "They will exchange or barter gold for twice as much weight in silver; for they have no coyned money" (p. 31). Rials were worth six testones or 600 rees in China, though they were worth 436 rees at Goa (Linschoten, I, p. 243). Hence the extraordinary profits in the China trade are apparent; cf. Embassy, II, p. 346 n.

² Pyrard, II, p. 201; cf. Fitch in Purchas, E. S., X, p. 198.

but immense profits were made on account of the monopoly and the returns in silver.¹

This completes our survey of the whole Oriental trade and of the exact part which India played in the beginning of the seventeenth century in the commercial life of the East and the West. It will be hardly an exaggeration to say that India was the respiratory organ for the circulation and distribution of the moneys and commodities of the commercial system of the world; it was the sea wherein all the rivers of trade and industry flowed, and thus profusely enriched its inhabitants.

Liberty of Conscience

Now there are a few general features which deserve our attention. At the threshold of our period we find peoples of various nations and religions from Africa to China living in the greatest freedom in the busy seaports and inland towns of India. Liberty of conscience, supreme tolerance, free exercise of divers religions, amicable and peaceful relations among this heterogeneous population, scrupulous protection of property and person, little state interference in commercial concerns, much delegation of powers in adjusting mutual differences, and, above all, light customs duties have been enthusiastically described by our great travellers.

All these admirable features stand in astounding contrast to the disgraceful restriction of religious freedom at Goa and Cochin, and the abominable system of inquisition and high duties prevalent in Portuguese towns.²

¹ Linschoten, I, pp. 150-64; Pyrard, II, pp. 170-9; Saris, p. 229; Letters, VI, p. 9; Letters of William Adams in The Memorials of Japan, p. 42.

² For Calicut, see Barbosa, p. 146; Pyrard, I, pp. 366, 404. For Cochin, Pyrard, I, pp. 435-6; Linschoten, I, pp. 70-1. For Surat and the whole Mogul Empire, Valle, I, pp. 30, 127. For Vijyanagar, Paes in Sewell's Forgotten Empire, p. 256.

The King of Calicut gave to each one of these merchants a Nair to guard and serve him, a *chety* (scribe) for his accounts, and to take care of his property, and a broker for his trade (Barbosa, p. 146). They had among them a Moorish governor who ruled over and chastised them, without the King meddling with them.

India—the Sink of Precious Metals

India stands out prominently as the cradle of numerous arts and handicrafts at that time as it had been from the remotest antiquity. Even before the days of Solomon and Hiram, merchants of other nations came to her busy ports to supply themselves with her products and manufactures. Strabo, Niarchus, Ptolemy, Megasthenes, Polo, Conti, Nikitin, and a host of other travellers have borne testimony to her commercial greatness. In spinning, weaving, and dyeing, India excelled all other nations of the world, and this industrial supremacy continued wellnigh up to the end of the eighteenth century. No less was she supreme in many fine arts. It was in her marts that the produce of Africa, Western Asia, the Southern Islands, and countries of the Far East was collected for further distribution to the East or the West. In ancient times Pliny complained of the luxury of his countrymen and the continual drain of gold into India. But Rome does not present a solitary instance. Almost every nation on earth obtained to a very large extent its supplies of fine cotton and silk fabrics, Malabar spices, indigo, sugar, drugs, precious stones, and many curious works of art, spices of the South, and silks as well as porcelain of China from India in exchange for gold and silver. There was always a favourable balance of trade for India. This immense traffic from all parts of the world must have brought in a great amount of the precious metals. It is hazardous to estimate the quantity of gold and silver annually imported into the country, but there is no doubt that India and China were like two pits, in which the Europeans, as well as the other Asiatic peoples, stood with both feet and still sank deeper and deeper. The truth has been felicitously expressed by Terry in these words : “ This I am sure, *that many silver streames runne thither as all rivers to the sea*, and there stay, it being lawful for any nation to bring in silver and fetch commodities but a crime not lesse than capitall to carry any great summe thence. The Coyen or Bullion brought thither is presently melted, and refined and

then the Moguls stampe (which is his name and title in Persian letters) put upon it. This coyen is more pure than any I know made of perfect silver without any allay, so that in the Spanish Riall (the purest money of Europe) there is some losse."¹

High Standard of Living. Living was then very cheap throughout India. All sorts of foodstuffs, clothing, and other articles were so extremely cheap throughout the Oriental world, but especially in India, in spite of its exceptional opulence and great manufacturing and commercial activities, that the people could comfortably live on a small income. Thomas Coryat spent only fifty shillings during his journey of ten months from Aleppo to Candahar, so that he spent only twopence a day! Terry remarks that all provisions were so plentiful throughout India that everyone there "may eat bread without scarceness." In Vijyanagar,² the biggest and richest city of the world, all things were incredibly cheap. So were they in Tatta, Diu, Cambay, Surat, Ahmadabad, and throughout Bengal. The upper classes, consisting of the military, nobility, landlords, merchants, bankers, jewellers, etc., lived in great luxury; others had varying fortunes in different parts of the vast continent of India. The people of Bengal, Vijyanagar, Golcondah, Bijapur, Gujerat, and the Punjab were very well off. The descriptions of the dress and ornaments and perfumes used by the people of Gujerat, Vijyanagar, and Malabar as given by Barbosa, Nikitin, Nuniz, Linschoten, Pyrard, Terry, and Valle are monumental evidence of the great plenty, prosperity, comfort, and culture of the Indians of those days. "This race is a people of great culture, accustomed to good clothing, leading a luxurious life, given to pleasure and vice. They feed well, and their custom is always to wash and anoint themselves with sweet-smelling unguents. They always, men and women alike, wear in their hair jasmine flowers, or others which grow there." This description of Barbosa is fully

¹ Purchas, E. S., IX; see the similar statement of Hawkins (*Voyages*, Hakl., p. 433).

² Paes, in Sewell's *Forgotten Empire*, pp. 257-9.

confirmed in the writings of Pyrard, Linschoten, and others. With all this opulence and luxury, there was undoubtedly a great deal of poverty. There is incontestable evidence that the lower strata of society consisting of the tillers of the soil, labourers, and mechanics lived very miserably. In many parts of Sind, Malabar, and even Gujerat, both men and women wore scanty clothing and lived in straw huts. That they were treated like helots is the observance of many reliable travellers. It was these people who used to sell themselves and their children as slaves in times of scarcity in Gujerat, Bengal, and throughout the Deccan.¹

Slavery. Another prominent feature of the economic life of the people is a great amount of slave trade being carried on between the various parts of India and between India and other Asiatic countries. That large numbers of slaves and eunuchs were annually exported from Bengal to the various parts of India and the Moslem world has already been referred to.²

For the Coromandel coast, the evidence of Barbosa will suffice, and this is amply confirmed by later writers. "Although this country is very abundantly provided," writes he, "yet if it should happen any year not to rain, it falls into such a state of famine that many die of it, and some sell their own children for a few provisions, or for two or three fanoes, each of which will be worth thirty-six maravedis. And in these times, the Malabars return with their ships laden with slaves." As for the slaves of Goa, we are informed by Pyrard³ that their number was infinite; that they came from the Indian nations, and that a very great traffic was done in them. They were also exported to Portugal, and to all places under the Portuguese dominion. In Surat,⁴ too, they were numerous, and so all over the Malabar coast.

Pyrard and Linschoten have fully described the slave

¹ Freleick, in Purchas, X, p. 137; Purchas, X, p. 103; Bartholomeo, p. 154; Linschoten, I, p. 77; Pyrard, II, p. 142; Sonner's Voyages, II, p. 25.

² Pyrard, I, p. 332; Linschoten, I, p. 91. In fact, nowhere in India were slaves of so little value as in Bengal (Pyrard, *ibid.*).

³ Pyrard, II, p. 39.

⁴ Valle, I, pp. 41, 157, calls them a black and lewd generation, going naked for the most part, or else very ill-clad.

auctions at Goa in their works. The former writes that "they drive the slaves as we do horses here, and you see the sellers come with great troops following." Linschoten¹ says that "they were sold daily as beasts are sold with us." Among the slaves were pretty and elegant girls and women from all parts of India, most of whom, it is strange to say, were very cultured ladies. All slaves were very cheap, the dearest not being worth more than 20 or 30 pardaos at Goa, or taking the pardao at 4s. 2d. to 4s. 6d., £4 10s. or £6 15s. only.² Some Portuguese, by keeping 12, 20, or 30 male and female slaves, made a living by their labour and nefarious doings.³ Many of these unhappy beings had been kidnapped as children, while others were prisoners of war taken by the Portuguese and not allowed to be ransomed in any case.⁴ Many of them were, however, captured and sold by the Indians themselves. Linschoten has a strongly condemnatory verdict on the Indian polity of his day as being responsible for the existence and continuance of slavery. In his opinion, the cause of bringing so many slaves and captives of all nations to sell in Goa was that at every ten or twenty miles, or rather in every village or town, there was a separate king and ruler of the people, "one of them not like another, neither in law, speech, nor manners, whereby most part of them are in wars, one against the other, and those that on both sides are taken prisoners, they keep for slaves, *and so sell each other like beasts.*"⁵ Moreover, in times of famine parents sold their children of eight or ten years for five or six measures of rice, and some for three or four ducats each. Even whole families came to offer themselves as slaves. The Portuguese made a living by buying and selling them, as they did with other wares.

Besides Pyrrard and Linschoten, other travellers, too, noticed this awful practice of the Indians of selling themselves and their children in times of scarcity. Cæsar Frederick saw the sale of children for eight or ten larin

¹ I, p. 185.

² Pyrrard, II, pp. 65-6.

³ Linschoten, I, p. 186.

⁴ Pyrrard, II, pp. 39, 46.

⁵ Linschoten, I, p. 276.

each, which meant ten to thirteen shillings only.¹ Lastly, it has been seen in a previous section that there was a very large amount of trade in the slaves of Mozambique, Ethiopia, Abyssinia, Arabia, etc., in Goa and other places.² Need we remark that slavery was not a newly introduced or an exotic institution, but had been in existence in India from time immemorial!³

Customs and Transit Dues

According to Abul Fazl, the port duties throughout the extensive empire of Akbar did not exceed $2\frac{1}{2}$ per cent. It is confirmed by Mr. Finch in 1609, who states that the duties at Surat were 2 per cent on coinage, $2\frac{1}{2}$ on goods, and 3 per cent on provisions.⁴ Although there are some complaints of perquisites, yet on the whole the administration of customs was very lenient and encouraging for the merchants. The case of transit dues was quite different. They were at least twice remitted by Akbar, and yet they seem to have been levied by the petty chiefs on the way. For the encouragement of internal commerce Jahangir issued proclamations in the very first year of his reign, abolishing the collection of duties arising from Tungha⁵ and Meer Bahry, together with taxes of every description, which the landholders, throughout the empire, had been used to levy for their *private benefit*. It was also ordered that no person should open any packages of merchandise on the road without the express permission of the proprietors. It is evident that no transit duties were allowed by the Mogul, and the port duties, too, were light.⁶

The low duties ($2\frac{1}{2}$ per cent on sold, but no duties on unsold goods) and the excellent management of the customs

¹ C. Frederick in Purchas, E. S., X, p. 90.

² Linschoten, I, pp. 261-5, 275-6; Pyrard, II, p. 231.

³ Author's Articles on Slavery in Ancient India in the Vedic Magazine of Lahore.

⁴ Purchas, E. S., IV, p. 123.

⁵ Cf. Am-i-Akhari, II, p. 57. Taxes other than land revenue called *Tamagha*. Sea-customs were known as *Bahry* taxes.

⁶ Gladwin's History of Hindustan, pp. 96-7; cf. Valle for the custom house at Surat, I, p. 23; 'Abder Razzak (India in the Fifteenth Century, I, p. 14); Barbosa, p. 110; and Pyrard, I, p. 362.

department at Calicut have elicited the admiration of all travellers. But the same could not be said of the premier state of Golcondah, or of other states on the Coromandel coast.¹ There were numerous charges which must have depressed industry, and then their collection very much depended upon the personalities of the revenue officers and the farmers of customs. Yet it is perfectly certain that princes showed an unusual anxiety in encouraging foreign merchants to trade in their country even at the sacrifice of state revenue for the welfare of their subjects, and took immediate steps to check abuses brought to their notice.

Exports from Portugal

The chief articles of export² by private merchants were silver, jewels, woollen cloths and hats, swords, all manner of

¹ An idea of the various duties collected from merchants, and from which the Dutch were exempted, can be had from the following list :—

(A) Duties on hired labourers.

Duties on boat-hire.

Road duties.

Tolls or other duties on all provisions for home consumption imported either by water or land.

Duties on exports and imports.

Charges on the sale of gold and silver.

Forced sale of grain and other goods at higher prices on behalf of the King than what they are sold for in the market.

(Mack. MS., 20, I, p. 136).

(B) An inventory of duties collected at Palicut which were farmed by the King in 1629, if taken as typical of other places, will be a very important reflex of the tax-system of the Carnatic.

Toncon on the loading and unloading of ships.

Ditto of the town.

Duty on the Fanams. Toncon on exports.

Custom on trades.

Ijap of the pagodas or cash.

Toncon on arrack.

Duty on looms, salt pans, cultivated lands, Nely (Paddy), Bazar, brokerage.

Small toncon.

Vessels and all that may be cast on shore from the sea.

Duty on the Sayc. Toncon in the town.

Duty on fish and gardens. All kinds of presents.

The unsold goods forced on the inhabitants.

Catta-Meady on all cloths made (*ibid.*, p. 8).

² Blochman in *Ain-i-Akbari*, p. 195 n.; Badoani, I, pp. 290, 388; Pyrard, II, p. 211; Embassy, pp. 167, 183, 480.

arms and ammunitions of war, or the material for making the same, musical instruments as trumpets, etc., pictures,¹ curiosities, tobacco, all kinds of ironware, glass² and mirrors, iron, lead, vermilion, coral, all sorts of dried fruits, salt, fish, wines, cheese, oil, olives, vinegar, printed books, and a host of other articles. *All these goods were in great demand and therefore brought a "profit of four for one, the provisions bring as much as six and seven to one."* It appears that the provisions were for the use of the Portuguese settled in the East, the imported money was invested in buying Indian goods at various centres, while jewels were carried to the Court, Agra, and Brahmputr. and the proceeds were employed in indigo and cloths.

Export of Money from Portugal. We have been told by Pyrard that every vessel that went out of Portugal to the East carried out at the least 40,000 or 50,000 crowns in silver, besides moneys and goods belonging to private merchants.³

¹ We learn from the Ain-i-Akbari that European painting was far superior to the Indian and that great improvements were made in the latter on account of the encouragement given by Akbar. "The wonderfull works of the European painters who have attained world-wide fame," were enthusiastically praised in the court of Akbar. At that time the Hindus excelled in this art. "Their pictures surpass our conceptions of things. Few, indeed, in the whole world are found equal to them" (Vol. I, p. 107).

² Several travellers have informed us that instead of glass windows the Indians used oyster-shells for panes, and this custom seems to be universally prevalent (see Monfart, p. 39; Fryer, p. 251). But we read of glass for windows in the Ain., I, pp. 224, 226, the price being 1 rupee for 14 seer, or 4d. per pane. The account of Terry would lead one to the conclusion that no glass was used even for mirrors.

There is no doubt that presents of glass articles and mirrors were very much admired in those days. Even as late as at the end of the eighteenth century, Bartholomeo said that the most valuable present that could be made to a Malabar judge or magistrate was a mirror, a telescope, or a magnifying glass (p. 391).

³ Pyrard, II, p. 193. My estimates for private trade rest upon these two assertions of Pyrard: (a) The King reserved two decks on each vessel, the other space, which was equal to 34 decks, was left for the goods of merchants and mariners (II, p. 195). (b) Poor mariners even used to carry goods and money to the East by selling their berths for 300 crusados = or 15,000 sols or £85 each (10 sols = 1 pardao = 4s. 6d.). Everyone who came out of Portugal must have something to take out with him. They had a proverb, "He that takes nothing to the Indies will bring nothing home." Again, they had a saying that the first voyage was only to see, the second to learn, and the third to make money; and so if in three voyages a man did not make a fortune he should not return (p. 196).

If twice this sum be supposed to be exported on private account for investment in valuable commodities like precious stones, jewels, spices, cloth, indigo, drugs, silks, saltpetre, copper, etc., which will really be an underestimate, then 150,000 crowns were sent out of Portugal on each ship. We find that 103 carracks sailed out to the East from 1590 to 1610, and 186 ships went out from 1580 to 1612, giving us an average of more than 5 ships per annum.¹ Therefore, at least 750,000 crowns can be taken as the average per annum of the export of bullion to the East Indies. This export of silver was very profitable to those who carried it out to the Indies, because it realised in India one-third above its value in Portugal.

Imports into Portugal and Spain. At the end of the sixteenth century the principal articles of import were pepper, spices, indigo, and cloth. The sale of pepper in Europe was monopolised by the King of Spain, while spices had been farmed out to a company established for the purpose. Since 1588, indigo had also been farmed out, so that no Portuguese could buy it in India for export into Europe or carry it into Portugal.

Linschoten² informs us that five ships laden with pepper used to go to Portugal every year. Each of these ships usually carried 8,000 quintals or 1,024,000 lbs. of pepper, so that the annual importation of this article amounted to 40,000 quintals. On the other hand, Fonseca states that 20,000 quintals, costing £100,833, were yearly conveyed to Lisbon towards the close of the sixteenth century, a quintal

| ¹ Period. | Ships that left Portugal. | Stayed in India. | Balance to be accounted for. | Returned safely. |
|----------------------|---------------------------------|---------------------|------------------------------------|---------------------|
| 1497-1579 | 620 | 256 | 364 | 325 |
| 1580-1612 | 186 | 29 | 157 | 100 |

Whereas in the first period 90 per cent of the ships, in the second only 63 per cent returned safely to Portugal. (Whiteway's "Rise of the Portuguese Power," p. 42).

² Pyrard, II, pp. 213, 273; I, pp. 433-8; Linschoten, II, pp. 220-2; Fonseca, J. N., "Goa," p. 24 (Ed. 1878).

Linschoten says that pepper was sold at 12 ducats per quintal to the King by the Company, and that the latter got it in India at 28 pagodas the Bhar of 3½ quintals. According to this statement the price of pepper would be about 7d., or 4 annas per pound, but the price given by Fonseca is 10s. per quintal, which means a penny per pound.

being purchased at the rate of 10s. 1d., and that 10,000 quintals of spices were annually imported, from which a profit of about £45,000 accrued to the farmers. The other goods imported into the country are said to have yielded a profit of £130,000 at the rate of at least 30 per cent of their gross cost. On this basis the average annual value of these other imports was £500,000 only. Every year ships laden with cloth, indigo, and drugs sailed from Goa in the month of November to the coast of Malabar to receive their lading of pepper and other spices. They touched at several important Portuguese ports like Onore, Barcelor, Mangalor, Cannanore, Cochin, Cranganore, Quilon, etc. Having collected spices at these places, they left for Portugal in the months of January and February. Sometimes local ships were sent from Goa to collect pepper and spices on the Malabar coast, and the lading was transferred at Goa to the carracks bound for Portugal.

We cannot exactly know the value and volume of Indo-Portuguese trade, but its vague immensity has well been summed up by Mr. Wyld. "Those rich trades of India, Persia, Arabia, China, and Japan did never appear in their true lustre and splendour, so much as in the time of the Portugals who had the sole command of those trades in their own hands, before either we or the Dutch had made any discovery thereof, when *they had every year at least two millions of pounds returned home on Register, besides pearls, diamonds and other precious stones.*"

The volume of the sea-borne European trade at the close of the sixteenth century was very likely 10,500 tons for the outgoing¹ carracks and 5,600 tons for the ships that arrived safely in Portugal,² but 9,000 tons for those which sailed from the Indies for the West.³ At the highest it could not be more

¹ 186 ships left Portugal from 1580 to 1612, therefore the annual tonnage = $186 \times 1800 \div 32$.

² 100 carracks returned, therefore the yearly average = $100 \times 1800 \div 32$.

³ Since fifty-seven ships were sunk, captured, or lost, we should add about two ships more per year to the *fleet going out of the Indies*, so that the total tonnage amounts to 9,000 tons.

than 20,000 tons both ways. This sinks into insignificance when compared with the gigantic amounts of to-day, but for those days it represented a large traffic.

Mr. Mun in 1620 stated that before the opening up of the sea-borne trade of England with India, £600,000 per annum was sent from Europe through Mocha to India for calicoes, drugs, sugar, rice, tobacco and other things, and that £500,000 was paid for Persian raw silk through Aleppo and Constantinople. He does not give any estimate of the Aleppo-Ormus trade, which was the only means of distributing Indian and European commodities over Persia, Turkey, Turkestan, Russia and many other countries of Europe. From what has already been said of the Aleppo and Persian trades, it is clear that large amounts of precious metals must have found their way to India through Ormus. As the Indian ships carried back large cargoes of valuable commodities like pearls, Persian silks, silk, woollens, carpets, horses, etc., from Ormus, it is likely that no more than £600,000 in gold and silver, including the silver exported from Persia, was usually brought back to Indian ports. Thus, about 1,200,000 pounds' worth of gold and silver was imported from Europe into India through the two most important channels of her maritime commerce.

Having now completed our survey from the Cape of Good Hope to Japan, of the character and extent of the sea-borne trade between India and Europe, we proceed to study the part played by the Portuguese in restraining and encouraging the maritime activities of India in those days.

Portuguese Restraints on Asiatic Trade. It has been seen that the pepper, spices and indigo trades were monopolised, that the importation of Malabar ginger and cinnamon into Spain and Portugal was prohibited, and that the right to trade with Mozambique, Ormus, Philippines, China and Japan was farmed out to several captains and grandees for a period of three years at every such grant. Asiatic¹ merchants were, moreover, prohibited from carrying steel, iron, lead, tobacco, ginger, cinnamon of Ceylon and several other things

¹ I. O. Portuguese Records, Doc. Rem., doc. 8.

from port to port for sale. The subjects of the King of Portugal were at complete liberty to import into Europe any and every article, except those five above-mentioned commodities from the Indies, while private merchants were allowed to go on board the ships bound for Mozambique, etc., by paying freight and several other dues to the owners of the ships. The commerce at Goa, Malacca and Ormus was also restricted to a certain extent. The King and his licensees had the right of pre-emption in these places, so that only when all the ships belonging to the King or his nominees had laden their goods, were other merchants allowed to make their purchases.¹ In the homeward-bound ships space was reserved for the goods of merchants and mariners who paid no other freight but 30 per cent duty at Lisbon. The crews of all the Portuguese ships in India were also allowed private trade. According to Fonseca, the latter had increased to such proportions that separate fleets composed of several ships were successively sailing to various parts in search of merchandise on private account. One of these fleets is related to have consisted of 240 merchantmen. There is evidence that the monopoly enjoyed by the Portuguese captains and grandees was, at the end of the sixteenth century, working to the prejudice of trade in general. There are many such complaints in the despatches from Portugal to India.

It has also been mentioned that no Asiatics except the subjects of the allied princes could stir out of their ports without obtaining passports from the Portuguese. Those who defied these sovereigns of the seas did it at the peril of their persons, ships and goods. The Malabars, Arabs and the Gujerats did sometimes steal out without permits, but they were always liable to be captured by the Portuguese ships. Within these restrictions all encouragement was given to Indian and other Asiatic merchants to resort to various ports with their goods, and Portuguese fleets were on the sea to

¹ Doc. 58 relates in detail the various oppressions committed by the Captain of the South in the trade of Malacca, and how he caused the depopulation of that town.

defend them against the depredations of the Malabars and other pirates, and to convoy them to their destination. Large fleets for the security of the sea in India and Europe were a permanent feature of the political organisation of the Portuguese. They equipped two armadas at Goa, one of which, called Armada del Nord, went as far as Ormus; the other, Armada del Sud, sailed as far as Comorin. *Each was composed of fifty or sixty war galliots, without counting the merchantmen called Navies de Chatie, which were convoyed by Navies de Armada to the various ports.* One or two grand galleys like those of Spain were also added to the fleet. These ships departed in the month of October and remained on their cruising duty for six months. Galleys were rowed by prisoners and convicts, but galliots by the Canarins, natives of Salsette, Colombo, etc. These men were called Lascars and their captain, Moncadon (Mukaddam, headman or boatswain). The ships of war were well armed. The great galleys had from two to three hundred soldiers called *Lascarits*, others had a hundred each, while smaller frigates carried forty to fifty men-at-arms. These men were permitted to trade on their own account, while making these voyages in the King's service. Thus warships should also be counted¹ as merchantmen.

Besides these two regular armadas, others went to Malacca, Sunda, Mozambique and other places where they were required. Viceroy Meneses mentions the expenses of all these fleets in detail. There were captains of the Carvels and high board ships of the like burden, captains of the Royal Galleys of twenty or twenty-five oars on one side, captains of the Galliots of chase, which had twenty or twenty-eight oars on each side, captains of the Malabar Galliots, bearing twenty oars on each side, captains of the Foysts and Catures of His Majesty, then the Captain of the Indian Seas and the Chief Captain of the Sea of Malacca.² Reliable data of the tonnage of the various kinds of ships is available in Pyrard. The

¹ Pyrard, I, pp. 438-9; II, pp. 117-18, 180, 208; Purchas, E. S., IX, pp. 173-4; Linschoten, II, pp. 169-70.

² Portuguese Records, Doc. Rem., doc. 6-7.

carracks varied from 1500 to 2000 tons and sometimes more, the gallions ranged from 700 to 800 tons, the caravels were not more than six or seven score tons, while some light round ships were of about 200 tons burden each, *although those stationed in the East were usually heavier*. The tonnage of all the war-ships for the cruise of Indian waters could not have been less than 18,000 tons.¹

To this has to be added the tonnage of about two hundred vessels that accompanied the Southern Armada. With an average capacity of 100 tons even, the gross tonnage of the merchant ships comes up to 20,000 tons. No mention has been made of the ships convoyed by the Northern Armada.

The tonnage of the other galleys, needed for the defence of the port-towns, varied according to circumstances; it can be taken to range from 12,000 to 13,000 tons. This is really a most modest estimate. There must have been a large number of vessels kept for the defence of the numerous port-towns in the possession of the Portuguese themselves and also to keep watch on the sea that no Indian vessel stirred out of the Indian ports without the Portuguese permit. We learn from Captain Sharpeigh that the "*Portugalls ordinarily in the somer lye att the Bar (of Surat) with 40 or 50 frigatts, that no boatte can go in or out without their license.*" The same remark applies to many other ports.

In other words, we are justified in concluding that the total tonnage of the Portuguese Armadas of the Western Waters was approximately 50,000 tons.

Vast Merchant Shipping. Another outstanding feature is the marvellous presence of a great amount of merchant

| ¹ Ships. | Tons each. | | Tons. |
|---------------------|------------|------|---------------------|
| 50 | × | 50 | Frigates . . . 2500 |
| 25 | × | 130 | Caravels . . . 3250 |
| 25 | × | 250 | Vessels . . . 6250 |
| 6 | × | 1000 | Gallions . . . 6000 |
| <hr/> | | | <hr/> |
| 106 | | | 18,000 |

There were no light vessels in these fleets and hence they often failed to chase the Malabars. In 1605, orders were sent to build a large fleet to guard the coast against the pirates (Portuguese Records, Doc. Rem., doc. 6).

shipping, all built in the various parts of the country itself. Numerous cities like Decca, Satgaon, Allahabad, Lahore, Tatta, Masulipatam, Pulicat, Calicut, Surat, Bassein,¹ Goa, etc., were centres of an extensive shipbuilding industry. We have referred to the coasting fleets of three hundred to four hundred vessels plying between Cambay and Goa alone, and fleets of more than 250 ships sailing from Goa to the south,² a fleet of half that strength coming to the Coromandel coast from the south, and to the numerous ships plying on the coasts of Orissa, Bengal and other kingdoms. The 40,000 boats on the Indus, the fleet of 180 boats from Agra to Satgaon,³ the Bengal flotilla of 4000 to 5000 armed boats, a fleet of 100 galliots of the Malabars, the numerous vessels of the various ports of India—all testify to the existence of hundreds of thousands of boats and ships of all descriptions plying in the rivers and seas of India. From an account of the Cambay ships by Pyrard, we learn that they had all their own ensigns, and the livery of their several lords on their flags, and that the merchants to whom they were consigned recognised them from afar. They had also war galliots for their escort.⁴ Some of the ships belonging to Arabia, Surat and other neighbouring ports approached 1000 or 1200 tons burthen, though they were not

¹ Bassein was to the Indies what Biscay in Spain was in Europe, for all the vessels built for the King of Spain in the Indies were constructed there (Pyrard, I, p. 182).

² A caravan or a fleet of two hundred and forty sail—all belonging to the Portuguese—was seen by Captain T. Best bound for Cambay in 1612. "Every yeare there cometh the like fleet, all Portugals from the South coast, to wit, from Goa. Chaul. etc., to goe to Cambaya: and from thence they bring the greatest part of the lading which the Caracks and Gallions carrie for Portugall. By which may appeare the great Trade that the Portugals have in these parts" (IV, pp. 128, 148). Valle accompanied one such fleet of 200 ships in 1623 (Valle, I, p. 143).

³ R. Fitch went to Satgaon in company with one such fleet. The boats were laden with salt, opium, hinge, lead, carpets, and divers other commodities (Purchas, E. S., X, p. 175). Jourdain speaks of these boats as "great barges of four and five hundred tonns a-piece. The merchants have their tents sett up in the barges as in a field. These barges are very large and broad and very well made according to the manner."

⁴ Gladwin's History of Hindustan, I, p. 24. Frederick describes other boats called Bazars and Potuas. "They rowe as well as a Galliot, or as well as ever, I have seen any" (Purchas, E. S., X, p. 113); cf. the "Pericose" boats of 24 or 26 oars and of great burthen, described by Fitch (*ibid.*, p. 183).

so good and strong as the Portuguese carracks whose tonnage varied ordinarily from 1500 to 2000 tons, and sometimes even more. We also learn from Terry that the ships which usually went from Surat to Mocha were of "an exceeding great burthen. Some of them at the least 1400 or 1600 tons, but they were ill-built, and though they had good ordnance could not defend themselves. One of these ships had on board *seventeen hundred passengers.*"

Walter Payton (1615) observes that the Gujerats loaded their great ships of nine, twelve or fifteen hundred tons at Gogo, and *stole out unknown to the Portuguese.*¹ *When we recall to mind the fact that the crews of all the ships, whether Portuguese or Indian, were Abyssinians, Arabians and Indians, but mostly Malabars, who were the best soldiers as well as the best sailors, we can but faintly realise the vast number of sailors, mariners and gunners employed in the merchant shipping of the country in those days.*²

A vivid idea of the extensive traffic of the busy ports of India can be given by the fact that the total shipping entering or leaving the various ports of the country amounted to 315,000 tons, out of which 85,000 tons were usually employed in carrying goods to and from countries outside India and the rest were engaged in its coastal trade.³

¹ Purchas, E. S., IV, p. 296. Middleton speaks of the *Rehmi* of 1000 tons carrying 1500 persons. Cf. Purchas, E. S., IV, p. 537 (John Hatch, in 1618).

² Aini-Akbari gives the monthly pay of the gunner as Rs.12 and of the common sailor as Rs.40 with food (Vol. I, p. 281).

³ Appendix.

CHAPTER II

INDO-BRITISH TRADE IN ITS INFANCY

HAVING studied the manifold ramifications of the maritime activity of India at the close of the Akbar-Elizabethan period, we proceed to give a summary sketch of the rise, progress, extent and character of the Indo-British trade from its very commencement. It is proposed to divide the enquiry into three separate periods of half a century each, with the exception of the first which covers fifty-seven years, from 1601 to 1657. The Company's trade for the first seven years was centred in the Malaya Archipelago. The relation with India began in 1608, when William Hawkins of the *Hector* landed at Surat to secure trading facilities in the Mogul Empire. From that year the Indian trade claimed more and more attention, so that after 1622 India, and especially Surat, formed the principal centre of the Company's exports and imports. The Persian silk trade was sporadic, though at times it constituted a large part of the cargoes of the homeward-bound ships. But the Persian silk and Arabian drugs were first brought to Surat and thence transhipped to England hence Surat was the heart of the English activities in the East.

First Decade. The Dutch and English went first to Java to procure spices, because they were informed by Linschoten that the Portuguese had no control over that island. Thus there was the least occasion to come into conflict with the masters of the Oriental trade and sovereigns of the Eastern seas. For these ten years English commerce was limited to

Java and its neighbouring islands.¹ The total value of the exports to the Indies in the years 1601 to 1610 was in—

| | £ | £ |
|----------------------------|---------------------------------|----------|
| Bullion | 119,202 or 11,920 | per year |
| Goods and stores | 51,073 or 5,167 | " " |
| Total | <u>170,875</u> or <u>17,087</u> | " " |

Therefore during this period *the exported bullion bore a proportion to goods of a little more than 2 to 1.*

The value of imports cannot be ascertained, but it has been estimated by Milburn to amount to near £1,000,000 per annum! This estimate is grossly exaggerated, for it would mean that the estimated sales realised fifty-eight times the value of the stock employed and twenty-two times that of the actual money subscribed and invested in the first eight voyages. We know that the highest profit during this decade on any one voyage was 234 per cent, and that the estimates of Mr. Mun and the Company in 1620 and 1621, as hereafter stated, showed a very moderate profit, so that the *gross income of £100,000 per annum will be the most reasonable estimate.*² The amount of duty paid during the same period was £97,950, or, on an average, £9,795 per annum. *In other words, 82 per cent of the money despatched to the Indies was given back to the nation in the shape of duties alone.*

The nature of the exports and imports, their quantities, prices, total values, is shown by the invoices of the cargoes of the three ships of the third voyage, which is memorable for opening trade with India in 1608 through the efforts of Captain Hawkins of the *Hector*. It appears that three vessels of 1,250 tons in all, costing £19,913 for building and equipment, were sent out laden with iron, lead, tin and woollens

¹ The chief English factory in the Indies was first at Batavia and then at Bantam. After the Dutch persecution and massacre of the English, their business was largely transferred to Surat, which was raised to the status of Presidency in 1630. Since then all factories, like those of Jambee, Macassar, Masulipatam, Armagon, etc., were made subordinate to it. English Factories, Vol. 1630-33, p. 6; Vol. 1634-36, p. 41 n.

² On the basis of the duties collected, it appears that imports were valued at about £200,000 per year.

to the value of £6,000. On their return they brought back pepper, mace, cloves and nutmegs from the Moluccas, their prime cost being approximately £20,000. The profit upon this voyage amounted to 234 per cent on the original subscription of £53,500. An instance of the extraordinary gain of those days is furnished by the fact that cloves costing £2,048 in the Indies were sold in England for £36,287 in 1609.

Second Decade. The Anglo-Eastern trade developed fast during the next decade. Four separate voyages were undertaken in 1611 and 1612 with five ships with a total capital of about £83,000. Out of this sum, £18,025 was sent out to the Indies in money and £10,650 in merchandise. Thus in the first twelve years, twelve separate voyages had been undertaken with twenty-six ships. It will be seen¹ that the various sums employed from 1600 to 1612 in all the twelve voyages amounted only to £464,284, out of which £200,540, or 43 per cent, was sent out to the Indies in money and goods, while the rest was spent in the purchase of ships, their equipment, provisions and in the upkeep of the various factories. *An average profit of 138 per cent on the total capital employed in all the twelve voyages was realised.* In some of the adventures the gains were unexpectedly great; for instance, they amounted to 234 and 218 per cent in the third and seventh voyages.²

In 1613 began the system of joint-stock adventures, and the *First Joint Stock* undertook four voyages, from 1613 to 1616, with a total capital of £429,000, out of which, it is said—

£111,499 was sent in money and
£78,017 in goods, while
£272,544 was spent in ships and victuals.³

¹ Marine Records Misc., IV.

² A tabular statement is as below :—

| | £ | £ |
|---|------------|----------------|
| Merchandise | 62,411 or | 5,201 per year |
| Bullion | 138,127 or | 11,510 " " |
| Ships, Stores, Provisions, etc. | 263,746 or | 21,979 " " |
| Total | 464,284 or | 38,690 " " |

Mr. Moreau's East India Company's Records, p. 1.

³ The three items total £462,060, which sum is greater than the capital raised by the First Joint Stock. Some money must have been obtained on loans.

Twenty-nine ships were in all employed, and though the cargo of one of the ships, costing only 40,000 rials of eight, or £9,000 (a rial=4½ shillings), was sold in England at £80,000 sterling, yet the total profits did not amount to more than 87½ per cent in the four adventures. Looking at the detailed statement we find that out of twenty-nine ships sent out to the Indies, only fourteen could return to England, the rest were either lost, captured, worn out or kept in the Indies to fight the Dutch and Portuguese.¹

The advantages of the Eastern trade were at this time shown by Sir Dudley Digges in his pamphlet, entitled the "Trades Increase." He pointed out that the maximum amount of goods and money exported in any one year was valued at £36,000 only, yet the nation saved annually £70,000 in the prices of pepper, cloves, mace and nutmegs for home consumption, and also vastly gained by the re-exportation of Indian commodities. For instance, spices worth £218,000 were exported in 1614, besides a valuable stock of indigo, calicoes, China silks, benjamin, aloes, etc., which had been exported to the Continent. If to this direct gain were added the King's customs, and also the employment given to ships as well as mariners in the re-exportations, the sum total of advantage accruing to the nation was undoubtedly very considerable.

Six years later the Company presented to Parliament "the estate of their trade, from the beginning thereof in 1600, to the 29th November, 1621,"² wherein it was stated that they had

¹ Macpherson's *Commerce*, II, p. 28. Milburn's *Oriental Commerce*, I, xv.

² A true estimate of the great success of the Company's adventures can be made by the number of their factories settled within fifteen years of their first establishment. In 1616 the Company possessed the following factories:—

In Java : Bantam, Jacotra (afterwards Batavia), Japara.

In Sumatra : Jambec, Tecon.

In the Banda Islands : Banda.

In Borneo : Benjarmassing, Socodania,

In Japan : Firando.

In the Mogul's dominions : Surat, Amadavad, Agra, Azmere, Bram-pore.

"laden away in all those years out of the realms, as out of the Downs, Holland and other places, but £613,681, or £29,225 per annum in the shape of foreign coin. They had also shipped out of the realm, in woollens, lead, iron, tin and other English and foreign commodities, to the value of £319,211, or £15,200 per annum.

Thus the total value of exports in bullion and merchandise during those twenty-one years was £932,892, or £44,423 per annum, and the ratio of money to goods sent out was a little less than 2 : 1.

It is interesting to know that out of the large sum of £932,892, only £375,288 could be invested in Eastern goods, yet they produced in England by their sale £2,004,600, which is more than double the value of all the moneys and goods sent out of England to the Indies, and exceeds five times the prime cost of goods. All the expenses of the Company and the hazardous voyages, as well as all the losses incurred by the

On the Malabar coast : Calicut.

On the Coromandel coast : Masulipatam, Petapoli.

In Malacca : Patani.

In the Island of Celebes : Macassar.

Siam : the capital of the Kingdom of Siam.

Walter Payton : Purchas, E. S., I., p. 305.

Compare the factories and castles which the Hollanders had in the Indies on November 12, 1613 (original spelling retained in both lists):—

| | | |
|--------------|--------------|--|
| In Bantam | 1 Factory. | |
| Jaquatra | " | |
| Grassee | " | |
| Sucquadana | " | |
| Macassar | " | |
| Patonia | " | |
| Syam | " | |
| Acheyn | " | |
| Buttoone | 1 Factory, | 2 Bulwarks. |
| Amboyna | 4 Factories, | 1 Castle. |
| the Bakean | 1 Factory, | 1 Castle |
| Molu-Machean | 3 Factories, | 3 Castles, the whole Island theirs. |
| Motir | 1 Factory, | 1 Castle. |
| Tidore | 1 Factory, | 1 Castle. |
| Ternate | 3 Factories, | 3 Castles. |
| Japan | 1 Factory, | 1 Castle. |
| Benda | 4 Factories, | 3 Castles, besides one small Island. |
| Salor | 1 Factory, | 1 Castle, taken this year from the Portuguese. |

This list leaves out their factories on the Coromandel coast,

sinking and capture of ships, were to be covered by this gross income of £95,457 per year. With all the enormous losses the Company had been able to declare large dividends to the subscribers of the India Stock, and hence the Eastern adventures were growing very popular among the English people. It was rightly stated by the Company that the *Stock which had already returned from the East Indies had "made somewhat more than five and a half of one towards charges."*¹

The above-mentioned sum of more than 2 million pounds was estimated to be realised up to November, 1621, by the sale of imports, yet there was a large stock remaining out of £932,892 sent to the Indies. Twenty-five ships were yet in India or on their homeward passage laden with Eastern goods, and were thus sure to swell the profits of the Company to the very large sum of 5 million pounds. This estimate had already been confirmed by Mr. Mun in his "Discourse of Trade from England unto the East Indies," who calculated the investments and profits of the Company in the first nineteen years and a half as given in the note below.² On a comparison of the years 1611-21 with 1600-10, the rapid development of trade becomes self-evident.³ The bullion sent out in the

¹ "The Reasons to Prove that the E. I. trade is a means to bring Treasure into this Kingdom." *Home Misc.*, Vol. 39, p. 55.

² Volume of Trade with the East Indies:—

| | £ |
|--|---------|
| Money in foreign coin exported | 548,090 |
| English and foreign goods exported | 292,286 |
| | <hr/> |
| Total in moneys and wares | 840,376 |

Imported into England:—

| | £ |
|-------------------------------|-----------|
| Cost of goods | 356,288 |
| Sale value of goods | 1,914,600 |

Besides these, there were to be returned from the Indies, after allowing a loss of about £84,000 on the remaining investment, goods worth £400,000. This sum could be expected to bring 2150 thousand pounds more into the Company's coffers. *In other words, £840,376 sent to the Indies would have brought £4,000,000, or about five times the actual investment.* It was also stated that the value of the Company's joint property was £400,000. Mun further affirmed that their trade gave employment to 10,000 tons of shipping, 2500 seamen, 500 ship-carpenters, and 120 factories in India. Purchas, E. S., V, pp 287-8.

³ Calendar of State Papers, Vol. 1622-24, p. 69, represents the above account to extend to July, 1620.

second decade amounts to £494,659, against £119,202 of the first, goods to £267,538, against £51,673, and the total export to £762,197, as against £170,875. The three quantities bear, roughly speaking, a ratio of 4 : 1 ; 5 : 1 ; and $4\frac{1}{2}$: 1.

It is evident that the export trade during the second decade grew to be more than fourfold as compared to the first ten years.

The change in the volume and character of the Eastern imports into England during the second decade will be visualised by two provisional invoices of goods sent home in the years 1614 and 1621. The trade in calicoes was improving fast ; while in 1614 12,500 pieces were provided, in the latter year no less than 123,000 pieces were invoiced. Similarly, although in the former year the total value of goods to be provided was about £15,000, in 1619 it was worth 720,244 mamudies or about £36,000, taking the mamudi as equal to 1s. Thus it was more than doubled as compared with 1614, and trebled in comparison to 1610.¹

¹ Tentative invoices of goods as were thought fit for England :—

| In 1614 | £ | In 1621 |
|---|---------------|---|
| Gumlac (tons 25) . . . | 800 | 80,000 narrow baftas 2-3s. per piece |
| Indigo Serkhej (tons 70) . . | 10,000 | 18,000 broad . „ 3-5s. per piece |
| Green ginger (tons 3) . . . | 800 | 5,000 Niccancecs |
| Opium (tons 2) | 100 | 4,000 Semianecs |
| Carpets | 500 | 16,000 Duthcs |
| Cotton yarn | 500 | 200 bales Biana Indigo 26 Rs. |
| Calicoes of all sorts (tons 15) | 2802 | per maund |
| The details of calicoes given in another consultation are as below :— | | 9,000 maunds Serkhej Indigo 10 Rs. |
| 4000 baftas of | 3s. per piece | per maund |
| 2000 „ | 4s. „ | 100 maunds Bengal silk $4\frac{1}{2}$ Rs. |
| 2000 Semians | 6s. „ | per seer |
| 2000 „ | 8s. „ | Good store of gumlac, and “ hoped |
| 1000 col. Semians | 18s. „ | to furnish 2,000 maunds of pepper.” |
| 1000 chintz | 2s. 6d. „ | Included in the baftas arc (1) |
| 200 sashes | 5s. „ | calicoes of all sorts to be procured at |
| 100 „ | 8s. „ | Agra, Patna and their adjacent |
| 75 „ | 10s. „ | places, 20,000 pieces at $1\frac{1}{2}$ Rs. per |
| 50 „ | 15s. „ | piece ; (2) calicoes of Lahore and |
| 25 „ | 20s. „ | adjacent places, 20,000 picces at |
| 12,500 picces. | | $1\frac{1}{2}$ Rs. per picce. |
| Their value = £2,802 10s. | | |

To have a view of the extent of the *Company's business at Surat* we should take into consideration the goods imported and exported from Surat to their factories at Bantam and other places outside India. In the year 1619 the total value of goods shipped by the Company alone, besides a great amount carried by their servants on their own account, was about £39,923, which was made up as under:¹—

Goods shipped to the Southward, worth 120,531 mamudies.

(Consisting of various sorts of cloth, cotton wool, steel, corn, spangles, English iron, toys, knives, brass ordnance for the King, and apparel.)

Goods shipped to the Red Sea 66,163 mamudies.

(Consisting of calicoes, indigo, gumlac, tobacco, looking-glasses, knives, broad-cloth, fowling-pieces, sword blades.)

Goods shipped to England 720,243 mamudies.

(Consisting of cloths, blood-stones, indigo, indigo-dust, carpets, vellum, and parchment, quilts, gumlac, turmeric, wax, various precious stones.)

1.
an

th Thus at the close of this decade the English were not only trading between England and the Indies,² but had a growing re in the supply of Asiatic merchandise to the Southern into Western countries of Asia. The result of twenty years'

with the Indies was summarised in a report³ by the
 £200,000 per annum in his customs and the kingdom

per annum through having to buy spices from the
 Imports, and above £100,000 for other commodities then

Cost direct from the East Indies. In the end, it was also
 Sale value

Besides these, that, if the trade were judiciously followed, goods
 a loss of about £ value of near £300,000 could be imported from
 This sum could
 Company's factories.

At the end of the second decade the Company's trade is

¹ Eng. Factories, Vol. 1618-21, pp. 61-64.

² In January, 1621-2, the value of the stock at Surat was £170,000 to date and £10,000 was to be sent. About £20,000 per annum was employed at Surat. Court Bk., 5, p. 311.

³ Calendar, Vol. 1617-20, Sect. 1025.

mirrored in the quantities of their various imports with their average prices in India and England as stated in their document entitled, "The Reasons to Prove that the E.I. trade is a means to bring Treasure into this Kingdome."

| Quantities Imported. | Prices in the Indies. | Prices in England. |
|--------------------------|-----------------------|-----------------------|
| 2,500,000 lbs. of Pepper | 2d. (Mun=2½d.) | 20d. |
| 150,000 „ Cloves | 9d. | 6s. |
| 150,000 „ Nutmegs | 3d. (Mun= 4d.) | 6s. 6d. (Mun=2s. 6d.) |
| 50,000 „ Maces | 8d. | 6s. |
| 200,000 „ Indigo | 13d. (Mun=14d.) | 5s. |
| 107,140 „ China raw silk | 7s. | 20s. |
| 50,000 Pieces Calicoes | 7s. | 20s. |

The total prime cost being about £100,000 against £494,223 estimated to be realised at the Company's sales in England, it was rightly asserted that the sum of £394,223 was annually advanced towards the general stock of the kingdom, and that England saved £70,000 or more per year in the price only of spices and indigo by buying them from the E.I. Company.¹

Third Decade. The rapid strides made in the first four years of the third decade, in spite of the inhuman tortures of the Dutch intended to oust the English from the spice trade, will be evident from an account² presented by the Company to Parliament in 1624. It shows that from the 25th March, 1620, to the 25th March, 1624, the exports in bullion and goods amounted to a total of £264,516 for four years, or £66,129 per year.

The imports for the like period were sold for £1,255,444 (including the sum recovered from the Dutch for the losses sustained in India), giving an average of £313,861 per annum. In other words, the average of these four years in exports showed an advance of 50 per cent over the average of the first twenty-one years, but in imports there was the sudden increase of 329 per cent due to the return of several ships laden with valuable cargoes. Over and above these returns, it was pointed out that the Company had twenty-four ships and

¹ Home Miscellaneous, Vol. 39, p. 56; cf. Malynes' *Centre of Commerce*, p. 109, and "The Golden Fleece."

² Calendar, Vol. 1622-24, p. 302.

merchandise to the value of 8 or £900,000 at the least in the Indies. Concerning the strength and wealth which the East India trade brought to the Kingdom, it was stated¹ that it would maintain 10,000 tons of shipping, and employ 2500 mariners and as many artisans; that the Company were supplying East India commodities for a quarter of the price hereto paid in Turkey and Lisbon; that pepper alone of the value of £200,000 was imported into England last year, nine-tenths of which was already exported; and that it would in future bring £50,000 yearly into the King's customs. F 21

Although this gives an exaggerated view of the volume and importance of the Eastern trade, yet there is no doubt that the Company was in a flourishing condition, notwithstanding the heavy losses sustained by the sinking and capture of several vessels. As to the nature of the imports, we are informed by the Company that the twelve ships which returned to England out of the twenty-six despatched during these four years, brought pepper, cloves, mace, nutmegs, indigo, calicoes, drugs, China and Persian silk. The last commodity imported in the last two years alone was valued at £190,000 in England.² *About one-third of these goods was then consumed in the country and the rest exported to the Continent. This trade was even now so lucrative that imported goods produced four times as much as their original price in the Indies against five times in the previous years.* From the year-to-year view of the Company's exports and shipping in the first twenty-three years, it appears that there was sent out in money £753,300 and in goods £351,200, or on the average £48,000 per annum. 4 2 82

Richard Wylde gives an abstract of all the disbursements of the Company in India, what they sent out every year, as also what returns they had thence, for the next six years from 1624 to 1629, during which he was himself in India. Since his account is the only one available for showing the method and relative importance of trade in the various centres of the Indies, it has been given in a convenient form in Appendix B.

¹ Calendar, Vol. 1622-24, p. 350.

² Calendar, Vol. 1622-24, p. 267; 16th April, 1624.

Here the main results to be deduced from his account are represented in a tabular form :—

| <i>The Company's Trade during 1624-9.</i> | | £ |
|---|-------------------------------------|---------|
| Money and goods sent from England to Surat ¹ | . | 375,755 |
| " " " Eastern factories to Surat | . | 43,980 |
| | | <hr/> |
| Total stock available during 1624-9 at Surat | . | 419,735 |
| Out of this sum was sent in money and goods to | | |
| Persia | £59,412 or 14 per cent of the whole | |
| Bantam | £49,147 or 11½ " " | |
| Mocha | £13,495 or 4 " " | |
| And was paid in customs at Surat | £32,823 or 7¾ per cent of the whole | |
| Left for investment for England | 137,991 or 32¾ " " | |
| All kinds of expenses in the East | 126,867 or 30 " " | |

In other words, the whole business of the Company was centred in Surat. The President of the Surat factory directed the mercantile operations of all other places where Englishmen had settled down for trade. To the Southern, Persian and Red Sea trades together was allocated 29½ per cent of the whole stock available at Surat, besides the sums directly sent to Bantam from England, and 30 per cent was spent in maintaining the various establishments in the Indies, while the customs paid at Surat amounted to about 8 per cent. Then one-third of all the moneys and goods received could be invested in Indian merchandise intended for England. Taking into consideration the Indian goods sent out to Bantam, Mocha, Persia on one side, and the moneys spent in maintaining factories in those three regions on the other, *it can be safely asserted that three-quarters of the exports of the Company were spent on Indian soil during that period.*

The extent of the English trade at Surat can be roughly estimated from the customs paid there. The rate being 2½ per cent on the average, both on exports and imports, they must have passed goods and bullion worth about £1,312,920

| | | |
|---|---|----------|
| ¹ The cargoes sent out—known values only | . | £338,640 |
| Money and goods brought into Surat | . | 419,735 |
| Money and goods sent to outside factories | . | 122,054 |

| | | |
|---|---|----------|
| Add the unknown cost of the cargoes of the <i>William</i> and the <i>Blessing</i> —unknown sum plus | . | £880,429 |
|---|---|----------|

sterling during those six years. It means that *the approximate value of the English trade at Surat in those years could be placed at £220,000 per annum at the least.*¹

To sum up, the total exports of the third decade, both in money and merchandise, amounted to more than £1,064,000 against £760,000 in the second and £171,000 sterling in the first, thus showing an advance of 40 per cent on the second decennium.

The value of imports cannot be definitely stated, since we are given their prime cost in some years and their sale values in others. However, we know that the imported goods were expected to produce in England three to four times their original cost at the least, and that £1,197,000 exported from England had produced £3,260,000 of imports in twenty years. Calculating on this basis and adding up the available data, we find that *the Company would have realised about 2½ million pounds at their sales during the third decade.*

It has been seen how, at the dawn of the third decade, the affairs of the Company lay "a-bleeding." It is better to recall that series of events which made it almost impossible for the Company to maintain its existence. The thrilling tragedy of the massacre of the English at Amboyna; the capture of several ships by the Dutch; the loss of about 2 millions on various occasions through the hostility of the same; the withdrawal of the English factories from all the places, except Bantam, of the Spice Islands; the exclusion of the English from China, Japan, Siam trades; little or no support from the Government; their indebtedness to the amount of £200,000 at home, and lastly the dislocation of trade due to wars begun by the Mogul against the kings of Bijapur and Golcondah—all these adverse circumstances conspired to place the Company in a precarious position. It is amusing to read that they entertained serious thoughts of withdrawing from India and of finally closing down their

¹ The above-mentioned sum represents the value of the total business handled by the Company at Surat; that is, besides the goods provided for England, it includes investments for other factories in the southern and western parts of Asia.

affairs. The unprofitable prospect of the Company's trade is reflected by the fact that in 1628 their £100 stock had fallen 20 per cent. That is, it was worth no more than £80, "whereas they had formerly divided two and three for one."

Fourth Decade. The acute distress, instead of coming to an end, was rather aggravated by circumstances which were out of the control of the Company. Their business "grew every day less and less." The fatal competition of the Courteen Association, their plundering cruises in India and the consequent stoppage of the Company's trade at Surat; and, lastly, the forcible purchase of pepper by the King accentuated the Company's difficulties. Then in India there was a universal dearth and scarcity of all things. Indian commodities were selling at double their usual rates, while English and other European goods had a sharp fall in their prices, being "in general disesteem." The despatches of those years are full of accounts regarding the severity of famine in India. We learn that thirty thousand people had died at Surat alone. One could hardly see any living persons "where heretofore were thousands of sound people. Dead bodies were lying on the highways, there being no one to bury or burn them." Peter Mundy, who was an eye-witness of the harrowing distress of the people, has recorded a realistic account of this great and universal calamity.¹

The evil consequences of the rise in prices and the financial distress were somewhat neutralised by several circumstances. The Company had succeeded in securing the coastal trade of India; the trade in Persian silk was greatly improved; the Gombroon customs very much relieved the tension; the opening up of commercial relations with Orissa, Bengal and Sind gave new opportunities for procuring cheaper commodities; while the war between the Dutch and Portuguese and the Goa Convention of 1634 transferred a large part of the carrying trade controlled by those nations into the hands of the English.

¹ Fact. Rec. Surat, I, p. 280; Calendar, V, pp. 228, 342; Peter Mundy—Hall.

The volume and value of imports into England during the fourth decade cannot be exactly ascertained on account of the lack of necessary material. The character of the import trade did not differ during this period, only the supplies from Persia, Coromandel and Bengal grew more in quantity. An idea of the principal imports can be had from the three invoices of separate ships from 1630 to 1640 given in the note below.¹

The exports by the Company alone during this decade, so far as the author has been able to trace them in the various records at the India Office, amounted to more than £717,000 sterling. There is no information regarding the value of merchandise sent out to the Indies in the year 1634, nor could the invoices of the cargoes of six ships be found. On making allowance for these two missing items and adding the moneys and goods exported by the Courteen Company in more than twelve ships, it will be evident that not more than £900,000 in all could be said to have been exported to the East in these ten years.² *The depression in the Company's business is mirrored in the fact that the annual average of £100,000 of the preceding decade fell down to £75,000 during this.* In their returns, too, the Company seriously suffered from the piracies, rivalry and competition of the Courteen Association.

Fifth Decade. The depression of the Company's affairs was aggravated by new causes during this period. After the termination of hostilities at the conclusion of a treaty of peace between the Dutch and Portuguese, the English lost their

| ¹ Cargo of the <i>Charles</i> April 12, 1630. | | Cargoes of the <i>Reformation</i> and <i>Discovery</i> , 1631. | Cargo of the <i>R. Mary</i> , 1639. |
|---|----------------------|--|--|
| Cloth | 425 bales | 570 | 591 |
| Indigo | 596 charges | 156 fardles | 1,080 bales |
| Saltpetre | 697 " | 597 bales | 331 " |
| Sugar | 400 " | — | 56 butts |
| Silk, Persia | 150 bales | 1,400 bales | 353 bales |
| Cotton yarn | 166 " | 250 " | 327 " |
| Wool cotton | 22 " | — | 16 " |
| Pepper, bales | 2018 515,481 lbs. | 4,500 maunds | 1,895 cwts. |

Marine Records Misc., IV; Eng. Factories, Vol. 1630-33, p. 127.

² App. C to this chapter.

control in the supply of Oriental wares to the Portuguese ports, and their share in the carrying trade from port to port was also much diminished by the renewed competition of other rivals. There was also a great paralysis of trade on the Coromandel coast, caused by the wars, first, between the Vijayanagar king and his vassals and then between him and the neighbouring states of Bijapur and Golcondah. To the ravages of war were added the unbearable misery and suffering caused by a widespread famine, due to the wars on the eastern coast and to drought and inundations at Surat and many other inland places. In short, industry and trade in India were very much crippled in those years. Then came the convulsion in England caused by the civil strife. It could not but have a prejudicial effect upon the Company's trade. A serious blow was given to the trade in Persian silk. "The rigid and austere manners of the Republicans had rendered silks less an article in demand than under the polished manners of a court." Then the "tragicall storye of the king's beheading" threatened the loss of the Gombroon customs. Again, the Dutch captured an English ship laden with pepper and refused to give any compensation, because "the English were traitors and had no king." The Dutch reports about the English in 1642 and 1644 show that they were not doing much in the way of business. The Portuguese at St. Thomé were described as poor as church mice.¹ In fact, the business of the English was so much depressed that it was² a matter of surprise to the Dutch in 1646 that the English meant to continue in the Indies. An English factor's report³ in January, 1642, can be taken as truly reflecting the state of affairs in India. The Danes "derived poore feint trade, not worth mentioning," but the Dutch flourished abundantly and were very fortunate in their undertakings. *In short, insufficient capital, civil war, active competition of interlopers, the loss of two ships laden with £55,000 in money and goods, war and famine in India and the*

¹ Dutch Records, Vol. XIII, doc. 411, Feb. 17, 1643.

² Dutch Records, Vol. XIV, doc. 450.

³ Eng. Factories, Vol. 1642-45, p. 22.

revived competition of other European nations in the East, can be named as the principal causes of the growing depression of the Company's business during the fifth decade.

Compare the following note of the Directors to their Surat factory in 1644.

As regards shipping to be sent home, "wee desire but one ship to be returned us yearly, for these reasons : first, because we had rather have small returnes and a stock left in the country to bee profitably employed and take off all the interest then to have large returns and remaine indebted ; secondly, abundance of E.I. commodities make them disesteemed and undervalued ; thirdly, our markets here being dead and quantity of E.I. goods coming will make them be sold farre under value."¹

Hence, the annual provision at Surat was to be limited to the following quantities :—

| | | | |
|------------------|---|---|--------------------------|
| Lahore Indico | . | . | 600 fardles |
| Cirques .. | . | . | 400 charles |
| Cinnamon | . | . | 300 bales |
| Calicoes, narrow | . | . | 150 bales= 30,000 pieces |
| " broad | . | . | 50 bales= 8,000 pieces |
| Cotton yarn | . | . | 100 bales |
| Cardamoms | . | . | 40 bags |
| Tincall | . | . | 50 dupperes |
| Drugs | . | . | 40 bales |

Considering the general depression in the trade with the Indies, it is nothing short of a surprise to learn that the Company's exports in bullion and merchandise amounted to more than £816,000 sterling for these ten years. Making allowance for the goods sent in the years of 1646 and 1649, and adding the sums exported by the Courteen Company in their twelve ships, we can safely assert that the total amount of British exports to the Indies during the fifth decade was decidedly more than that of the previous ten years. The annual average for all exports during this decade can be put at £95,000 against £90,000 of the former.

¹ Factory Records, Misc. 12, pp. 144-5. Cf. the invoice of the *Antelope* in Marine Misc., IV, doc 17.

During the next seven years the Company's business was practically reduced to nothing, first on account of the Anglo-Dutch War and then by the Protector's declaration of leaving the navigation and commerce to the Indies free and open to all for three years. The exports of the Company from 1651 to 1656 totalled about £129,000 in seventeen ships and vanished altogether in the next year of 1657. The deficiency was, however, more than made up by the large amount of private shipping despatched in the three years of open trade. Although the amount of tonnage and exports sent by these separate adventurers is nowhere traceable in the Records of the Company, there is little doubt as to their great volume, when we remember that no less than thirty-eight ships were employed for the purpose, that the prices of Indian produce were raised from 40 to 50 per cent, and those of English produce and manufactures were lowered in an equal proportion in the Indian markets by the keen competition of the numerous adventurers.

The whole English export trade with the Indies from 1601 to 1650 can now be roughly measured by the following decennial totals :—

| Decades. | Exports. | Assumed values. Thousand pounds |
|-----------|--|------------------------------------|
| | <i>Known quantities.</i> Thousand pounds. | |
| 1601-1610 | 171 | None |
| 1611-1620 | 760 | |
| 1621-1630 | 1,064 | 20 Co.'s |
| 1631-1640 | 717 | 50 " |
| — | — | 100 Courteen's |
| — | — | 30 Co.'s |
| 1641-1650 | 816 | 100 " |
| | <hr/> 3,528 | <hr/> 300 |

It is obvious that *four million pounds were approximately exported from England during the first fifty years of Anglo-Indian relations.* How much of this sum was actually consumed in India and what amounts were appropriated by Persia and the Spice Islands will permanently remain shrouded in mystery. If the conclusions arrived at from the returns of the years 1624-9 were to be applied to the whole period of

fifty years, then *it would appear that three-quarters of the total exports were spent in India.* The actual volume of trade must have been larger than is shown by £4,000,000. We ought to add the Company's income from the customs of Gombroon, the large sums earned by Englishmen in their Asiatic commerce, and the carrying trade from port to port in India or between India and other countries, as well as the 100 per cent profits usually made by the sale of English merchandise in the East. In such a case the average money available for investment in goods for England and for expenses of the upkeep of the factories will be about £100,000 per annum during these fifty years.

CHAPTER III

INDO-BRITISH TRADE IN ITS INFANCY

(Continued)

The Twelve Voyages. A general review of the E.I. Company's resources and profits will help to throw a sidelight on the volume and extent of their commercial operations, and reveal to us the grave difficulties and discouragements against which that corporation continuously struggled to build up a rich trade with the East. In virtue of their charter, the merchants of London subscribed a stock of £57,473 in 1600 for the first voyage, which being carried over into the second voyage by an additional subscription was made up to £128,823.¹ The two accounts were amalgamated into one, and

¹ Macpherson, Macgregor, Milburn, Wisset and others who have borrowed from these authors, state £72,000 the subscribed capital of the first voyage and £600,442 for the second. I have adopted the figures of Sambrooke who, as an accountant of the Company, surely had more reliable information than any other later writer can claim.

| Capital of the Voyages in Sambrooke's Report of 1654. | | Profit. |
|--|------------------|---|
| 1st voyage | } 128,823 | 95% (Same in Mill and Bruce) |
| 2nd " | | |
| 3rd " | 53,500 | 234% |
| 4th " (a) | 33,000 | Complete loss ("Mill gives" £13,700) |
| 5th " | 13,700 | |
| 6th " | 80,163 | 121/16/4% (Mill calls it 5th, and states capital £82,000) |
| 7th " | 15,634 | 218% |
| 8th " | 55,948 | 211% |
| 9th " | 19,614 | 160% (Mill calls them 6th and 7th voyages—capital £147,936) |
| 10th " | 46,092 | 148% |
| 11th " (b) | 25% from the 3rd | 220% |
| 12th " | 7,142 | 133/18/4 (Mill calls it 8th voyage, capital £7,200) |

Home Misc., Vol. 40, p. 34. Cf. Marine Misc., IV.

(a) The sum was spent as below:—

£14,600 in shipping and victuals; £3,400 in goods and
£15,000 in money. Home Misc., Vol. 39.

(The loss of both ships made the fourth voyage the most unfortunate venture in the early history of the Company. A dividend of 3s. 6d. in the pound was declared, and in Nov., 1613, the stock in the Indies was valued at 28,000 Rials. C. Minutes, 2A.)

(b) £10,669 was the capital according to Scott.

the net profit divided in the form of Eastern commodities on the first two voyages has been calculated at 95 per cent.

These were followed by ten more voyages, which were undertaken on the basis of independent stocks for almost each voyage. This system gave rise to many inconveniences and quarrels, enhanced prices and multiplied expenses. At certain places there were separate factories for several accounts, each endeavouring to prefer the interest of their distinct employers. Their differences grew to such a pitch that the factors became enemies one against the other, and thus caused a "great disturbance to the benefit of the trade."

Joint Stocks. To prevent these in the future, the adventurers resolved themselves into a Joint Stock, raising a subscription¹ of £11,8,691, the employment of which ultimately produced the very fair and encouraging profit of 87½ per cent on the original stock. In the year 1617, the period of four years to which the trade of the First Joint Stock was limited having expired, the Second Joint Stock arose from a subscription of near £1,600,000. During the twelve years from 1617 to 1628 the adventurers sent fifty-seven ships of 26,690 tons *besides pinnaces*² with £1,145,442 in money and goods, and it raised £289,643 in the Indies. Yet this proved to be the most unfortunate adventure undertaken by the Company. From an account preserved in the Home Miscellaneous, Vol. 39, on the success of the Second Joint Stock, it appears that it suffered an inexpressible financial loss on account of its continued hostilities with the Dutch and the Portuguese in defending its spice trade and in wresting the Red Sea and Persian trades from the Portuguese. It was again and again prolonged up to 1631 without ever raising a new subscription during these years. In 1628, on the failure of the attempt to raise subscriptions for the Second or Third Joint Stock, the system of calling in special subscriptions for

¹ This amount is less than what has been given in Chapter II. This difference is to be found in the Records.

² See our Shipping List and Appendix B to Chapter IX.

particular voyages to Surat and Persia was begun—£130,000 and £150,000 were readily subscribed for the first and second adventures. While very large profits were distributed among the proprietors of these particular voyages, no more than 12½ per cent nominal dividends were declared for all the moneys that had been contributed by the capitalists of England for the Second Joint Stock.¹

The Third Joint Stock, with remains brought over from the Second and an additional subscription, made up a capital of £420,700 in all. It was a little more fortunate than the preceding adventure, because in spite of the loss of the *Jonas* and the *Jewel*, and of the great charges in India and England for financing the trade with large sums borrowed at a high interest, the adventurers could obtain an advance of 35 per cent on their eleven years' investment. The affairs of the Company were in such a desperate condition that no general subscription could be raised. But realising that something ought to be "done to support and uphold the E.I. trade, as, if this year is passed over, the trade may pass off so as never to be again revived," some adventurers opened a subscription for a particular stock. This First General Voyage began in October, 1641, with a subscribed capital of £105,000.² It was agreed to pay the proprietors of the Third Joint Stock 1 per cent in lieu of all charges at home and 6 per cent on the invoice cost of their goods for the service of factories, warehouses and small shipping in India.³ This voyage was crowned with great success, as the adventurers could make a profit of 121 per cent.

This particular voyage was followed by the Fourth Joint

¹ The moneys invested and the dividends earned in the Persian voyages are quoted from Scott, Vol. II, p. 126. Cf. Calendar, p. 456, for second voyage.

| | Profit. |
|---|---------|
| 1st Persian Voyage . . . £125,000 to £140,000 | 60% |
| 2nd Persian Voyage . . . £150,000 | 80% |
| 3rd Persian Voyage . . . £100,000 | 40% |

² Macgregor has £67,000 against the above-mentioned sum taken from the Fact. Rec., Misc. 12, p. 51. See also O.C. 1791, and C. Min. 1650-54, p. 359.

³ Court Bk., 18, pp. 40, 83.

Stock with a nominal capital of £104,540. As the First General Voyage closed its account in 1648, the two stocks ran side by side for six years. The adventurers of the former stock were fortunate in realising a profit of 121 per cent, but the Joint Stock struggling with numerous difficulties was proving a losing concern.

To tide over the financial embarrassment, the Second General Voyage was started in 1647 for a year with a paid-up subscription of £192,800.¹ The proprietors of this stock, too, agreed to allow the 1 and 6 per cent for charges at home and in India to the Joint Stock.² Without being fettered to any other liabilities, they could finally get a large return of 173½ per cent, while the Fourth Joint Stock could hardly fight against the misfortunes of the civil war, depressed markets, the losses of their two ships, the high rates of interest paid on loans secured in India and England, the consumption of available money in separate voyages, the keen competition of the Courteen Company and the unpaid debt for saltpetre by the State. As all these causes had conspired to exceptionally depress the affairs of the stock, a new subscription of about £200,000³ was raised in 1650 under the name of the United Joint Stock to continue until midsummer, 1653.⁴ As the Joint Stock had no more trade in India in 1653 and was only waiting to realise its estate and transfer it to the United Stock, the duty of continuing the Eastern trade devolved upon the shareholders of the latter. No dividends could be declared on the moneys invested in the Fourth Joint Stock, though the Third had a division of 25 per cent in 1653 and an unknown sum in the same year, being subsequently followed by a further profit of 16½ per cent in 1654. No further information on the profits of the Fourth and the United Stocks can be traced in the Records, but it is certain that their depression

¹ Court Bk., 22, pp. 4, 35, 72.

² Court Bk., 22, p. 36.

³ According to the Marine Misc., I, doc. i, the subscribed sum was £112,000 out of £300,000 proposed. But Macgregor states £157,000. Com. Statistics, IV, 323.

⁴ Court Bk., 20, p. 474.

must have been accentuated by the Eastern trade being thrown open on the termination of the Anglo-Dutch War. On the contrary, account ought to be taken of the large sum of £85,000 received in 1655 from the Dutch in compensation for the manifold injuries sustained from them by the English Company, as also of another moderate sum of £20,000 obtained by the owners of the two stocks from their successors as the price of their estates in the East.¹

The Dutch and English Trades Compared

As a contrast to the preceding account, a view of the Dutch trade with the East will be very interesting for comparative purposes. That the Dutch business was very much thriving in India even in the first quarter of the seventeenth century, will be seen from the detailed² invoice of money and merchandise demanded for the Surat factory by its President, V. d. Broecke, in December, 1622. He required about £30,000 in silver and gold and more than 100,000 pounds weight of valuable goods, exclusive of pepper, to be sold at Surat. While the English trade with the East steadily languished, the Dutch trade grew apace in subsequent years. The ever-increasing volume of their business is clearly evident from the total invoiced prices of the goods and the number of ships sent out of the Indies to Holland.

| Years. | Ships. | Total Value (in thousand florins). | Annual Average |
|-----------|--------|---------------------------------------|----------------|
| 1599-1620 | 112 | 18,477 | 880 |
| 1621-1630 | 72 | 15,387 | 1,538 |
| 1631-1640 | 75 | 21,526 | 2,152 |
| 1641-1650 | 93 | 25,555 | 2,555 |
| 1651-1660 | 103 | 26,822 | 2,682 |

In other words, *Holland received 7½ ships per annum from the East during those sixty-one years against three ships*

¹ Scott gives 80 per cent profit, though it appears that the dividend in money was 60 per cent only. His statement that 50 per cent in pepper was divided on two occasions is incorrect. Court Bk., 20, pp. 79, 271; 21, p. 8. 170 per cent had been dividend up to March, 1658, and it was expected that further distributions of 35 per cent would be made. Court Bk., 30, p. 316.

² See Appendix A to this chapter.

annually arriving in England during that period. Moreover, while the Dutch imports cost on the average less than a million florins per annum during the first fourteen years, and the average remained pretty low up to 1620 by reason of the incessant wars with the Portuguese, the English and the inhabitants of the Spice Islands, they steadily rose to more than 2½ million florins per year in the 'sixties, showing that in this decade the annual imports had trebled as compared to the annual average of the first twenty-one years. During these sixty-one years *the total invoiced value of all the goods sent to Europe was £9,806,000—a fairly large sum for those days.*¹

It has been seen that in fifty-seven years the English exported about £3,865,000 in money and merchandise, without taking any account of the large amounts sent out to the East in the three years of open trade. This sum can be taken to represent their invoices of goods imported from the East, as the charges of factories and other establishments would have been defrayed by the earnings from their Asiatic commerce, the profits on the English merchandise sold in the East, the freights realised in the carrying trade and the customs of Gombroon. Even allowing £828,000 plus the exports of 1651-7 by numerous English adventurers more for expenses, it is unlikely that the aggregate value of merchandise imported by the English up to 1657 could fall far below three million pounds sterling. One can be positively certain on the basis of the preceding data that after fighting against odds and experiencing the worst periods of depression, Englishmen spent no more than a third part of the treasure spent by their rich and prosperous Dutch rivals in the East.

The secret of the extraordinary Dutch success and prosperity lies in their monopoly of spices and drugs produced in the Southern Islands, as well as in the purchase of Chinese goods at very cheap rates. The prime cost of their imported merchandise was incomparably small, and the selling prices were excessively high. Hence, in comparison to the English

¹ Eleven florins have been taken equal to £1.

Company, the profits of the Dutch on their Eastern adventures were nothing short of the fabulous. Except for the decade 1621-30, during which only 82 per cent profit¹ was divided, *the annual average of their net profit for the remaining years varied from 20 to 25 per cent on their capital stock!* Notwithstanding the innumerable obstacles in establishing their trade and in planting colonies, to which the English had wellnigh succumbed, *the proprietors of the Dutch stock were given 1,106 per cent on their capital in 56 years!*

Private Trade. Over and above the English Company's trade we ought to take a *summary view of the business carried on by Englishmen in their private capacity in and with the East*, as it will greatly help us to understand the real volume of the business controlled by the English nation and the later developments of their commerce with India. A long struggle broke out between the Company and their servants. The former were determined to thoroughly preserve their monopoly of trade with the East to themselves, but the latter, disregarding all orders of their masters, more and more indulged in the forbidden fruit by trading in the East itself as well as in the Eastern commodities imported into England. Thus the English factors and mariners, by curtailing the sphere of the Company's operations, worked to the prejudice of their masters in India as well as in England. Hence as early² as 1604 the prohibition to buy spices was extended to persons of all ranks and ratings on the ships of the Second Voyage under Sir H. Middleton. Then a royal proclamation inhibiting the importation of pepper from foreign parts by any other persons than those of the East India Company was procured³

| ¹ Years. | Total Dividends. |
|---------------------|------------------|
| 1605-1620 | 307½ |
| 1621-1630 | 82½ |
| 1631-1640 | 258½ |
| 1641-1650 | 257½ |
| 1651-1660 | 200 |

Total in 56 years = 1,106 per cent on the capital.

² Voyage of Sir H. Middleton (Hakl.), p. 17.

³ Calendar, I, sec. 468-70.

in 1609. Mr. Adam Denton in one of his letters (1614) objected to the starting of private trade by the factors of the *James*, "because it would spoil employments in one place and sales in the other."¹ Supreme efforts were subsequently made to thoroughly suppress it, but finally realising the futility of absolutely preventing the crews of their ships from clandestine trade, when even the commanders² of fleets and captains of ships *were equally guilty* of the breach of trust, the Company allowed their servants and the officers of their ships to trade on their own account in a few unimportant articles of export and import, and reserved to themselves the rights of exporting and importing principal commodities. A complete list of the goods allowed to be exported and imported by private merchants in 1631 is given in the note below,³ yet it should be observed that the servants were not satisfied with this indulgence. The correspondence of the period is full of complaints⁴ from the Company on the violation of their monopoly. In spite of royal proclamations and their repeated prohibitory orders and stringent punishments, the evil grew apace. Factors in India always pleaded the manifold difficulties of detecting and preventing it. Restricting private trade in spices was described by factors as a Herculean labour; while some years after, in 1650, it was again admitted that like "Adam's

¹ *Foster's Letters*, II, p. 118.

² Court Bk., 5, p. 163—the old veteran Captain Martin Pring was charged with carrying on private trade in 1621.

³ A list of *goods allowed to be exported to India* in the year 1631 was as under:—Perpetuana's and drapery, pewter, saffron, woollen stockings and garters, ribband rose edged with gold lace, beaver hats with gold and silver bands, felt hats, strong waters, knives, Spanish leather shoes, iron and looking-glasses.

The *goods allowed to be imported from India* at this time:—Long pepper, white pepper, white powder sugar, nutmegs and ginger preserved, mirabolans, bezoar stones, drugs of all sorts, agate beads, blood stones, musk, aloes socotrina, ambergrasses, carpets of Persia and of Cambaya, quilts of sattin, taffaty, printed callicoes, benjamin, damask, sattins and taffaties, quilts of China embroidered with gold, quilts of Pitama embroidered with silk, galls, worm feeds, sugar candy, china dishes and puslanes (i.e. porcelain) of all sorts. King's Proclamation of 1631. B. Museum; Eng. Fact., Vol. 1630-33, p. 27.

⁴ Cf. the Petition and Remonstrance of the Governor and Company of Merchants requesting the suppression of Private Trade in 1641.

children, we think few of your servants are free from tasting the forbidden fruit."¹

To make their restraints effective, the Company again issued prohibitory orders in 1650. Broadcloth, lead, quicksilver, vermilion, coral and elephants' teeth were prohibited from being exported on private account. Among imports, the Company reserved to themselves the exclusive right of bringing in raw silk, cinnamon, benzoin, pepper, musk, mace, nutmegs, aloes, saltpetre, cotton yarn, calicoes and indigo of all sorts. All other goods were allowed² to be imported by privileged persons in the Company's service to the extent of 5 per. cent of the tonnage licensed by the Company on their own account. The articles specified in the free list do not differ much from those given in the preceding note. Yet it should be observed that the trade in musk, aloes, calicoes and benzoin was this time taken out of private hands on account of its being more profitable than before; while the importation of sugar, precious stones and valuable silks was left to private enterprise. It also shows that Indian sugar was not an article of much importance during the first half of the seventeenth century.

The English Share in Asiatic Trade. The English at Banda and other places in the Southern Islands soon found out that their woollens and metals did not find much sale there. Indian commodities, especially cotton fabrics, were in great demand in those parts, therefore it was thought necessary to resort to India, dispose of English goods and money first in the purchase of Indian piece-goods fit for the southern market and thence to buy spices, pepper, silk and some drugs for the Eastern and European markets. The Indian merchants immediately realised the danger of this practice. We are told that the purchases of Hawkins at Surat in 1608 aroused a

¹ Eng. Fact., Vol. 1647-50, pp. 4, 22, 181, 206, 262, 281.

² Court Minutes, Vol. 1650-54, pp. 9, 33, 59.

The following E.I. goods were allowed to be imported:—Olibanam, tincal, gum-lacs, seed, tamarind, myrrh, cowries, dragon's blood, cassia fistula, cubebs, agate-ware of all sorts, camphor, china dishes, civits, ambergris, bezoar, diamonds, pearls, rubies, sugar, cassia lignum, lignum aloes, china roots, myribalans, conserves.

storm of opposition—the merchants grumbling very much and complaining to the Governor and Customer of the leave granted this Englishman in buying commodities “which would cut their owne throats at Priaman and Bantam.”¹

Notwithstanding these protests, the English and Dutch, both in their corporate and private capacities, began to indulge more and more in the port-to-port trade to the great detriment of Indian merchants. The great profits earned in this commerce have been stated in the Surat report of 1612. Indian commodities carried to the south were to yield three for one, and also those like indigo, calicoes, cotton yarn, etc., carried to England “will by our computation yield three for one at home at least.”² In other words, £100 first invested at Surat could bring in £300 in the Moluccas, which reinvested at Bantam or Surat for the home market could produce £900 in England. Thus an adventure of a year and a half in going to Surat and the Moluccas, back to Surat and thence to England, could make nine times of the original investments. It is true that this enormous gain could not be pocketed without immense expense and great losses in life and property incidental to voyages in those days. Yet looking at the question from the point of view of the Indian shipowners and merchants engaged in foreign commerce, it must be admitted that their fears and complaints were fully justifiable, since they were being fast ousted from such profitable branches of trade by their stronger rivals from Europe. *The Dutch, English, Danes, French and the long-established Portuguese, were trying to appropriate as large a part of the Asiatic commerce, individually and corporately, as they could. Each of these nations, being desirous of obviating the necessity of exporting coin and bullion from their respective countries for their purchases of merchandise in the East, reduced it to the minimum by employing themselves in the carrying and foreign trades of Asia.*

So far as the English were concerned, Aldworth, Bradshaw,

¹ Purchas, E. S., III, p. 3.

² In 1628, £250,000 invested in the Indies was expected to produce £700,000 or £800,000 at home. Calendar, IV, p. 509.

Sir Thomas Roe and others repeatedly pointed out the imperious necessity of taking a greater share in the exchange of Indian and Asiatic commodities. Realising the extraordinary profits obtainable in it, English factors had begun it on their private account. They were, however, repeatedly prohibited by the Company, which wanted to monopolise this trade, too, for their exclusive advantage, as they had previously done the maritime trade between England and the Indies. Despite protests and threats, the private trade grew by leaps and bounds, and "had gotten such a head" that it was difficult for Sir T. Roe to suppress it in 1618; while Mr. Jones, on being asked which of the factors were private traders, stated that there was not a man free. This forced indulgence opened out for the Company's servants unimagined sources of accumulating wealth. According to Boothby, *Englishmen by their 5 or 6 years' stay in India carried home estates of 5, 10 or 30 thousand pounds a man without having carried any stock out of England*. Moreover, during their residence in India, we find them rolling in luxury and affecting the manners and style of royalty. Pietro Della Valle gave a vivid description of the luxurious life of the English and Dutch at Surat in 1623. This was fully confirmed by Mandelslo in 1635, Boothby in 1644 and Dr. Fryer in 1673.¹ They could one and all rear immense fortunes and live in luxury in that early period only by controlling a growing share in the Asiatic commerce of all the countries extending from China to the Red Sea.

The Profits of the Carrying Trade

While the spice trade was being rapidly controlled by the Dutch, the English turned their attention to Persia in the west and Siam and its neighbouring kingdoms in the east. They freighted their ships with the wares of Indian merchants and also made great profits on the goods they carried thither

¹ On considering the abuses of the factors in the Indies, the Directors remarked that the estates of Ball and Spalding "were swelled beyond the compass of servants." Calendar, II, section 1134, 21st October, 1621.

Della Valle, p. 41; Mandelslo, Harris's Voyages, I, p. 765; Fryer, p. 180.

on their own account. It has been seen how the Surat population unsuccessfully attempted to prevent the Dutch and the English from participating in the Red Sea and Persian trades. A contemporary letter, written by J. V. Hassel from Surat to the Directors at Amsterdam, dated 25th December, 1628, sums up the sentiments of the native traders in these words :—

The Moors were also not pleased that the Dutch began the trade in tobacco, rice, etc., which they brought to Persia. The *Moors complained the Dutch were taking every trade out of their hands*, the latter should be content with their cargoes bound homewards, their rich cargoes sent to the south, their friendship of the Moors should be worth more to the Dutch than the small trade; the Dutch should, moreover, assist and protect the Moors. Also they mixed threatenings with it, they would complain to the King, *the Dutch did not give any profit to his subjects, were only here to seek their own profit and tried to turn everyone out of trade.*¹

What the loss of the southern trade implied has been brought home in the calculation made by Mr. Wylde on the basis of the prices at which he himself sold spices at Surat in 1627. He estimates that 300,000 pounds of mace, nutmegs and cloves, costing £8,750 in all, could be sold for £90,000 at Surat,² thus returning ten times³ the original cost of the transporter. It was also pointed out that in case the Company undertook this exchange, it could invest the money realised in the sale of spices in indigo, calicoes and other Indian commodities which, carried to England, would produce at the least £270,000, thus leaving a gross profit of £261,250.

That these estimates were not wild or exaggerated is proved by the Company's letter, dated 16th March, 1631, wherein it has been stated that English goods worth £45,800 were expected to give a profit of £30,000, or 56 per cent in the Indies, and that the carrying trade in the Indies was to produce £125,000 at an expense of £20,000 in shipping, mariners, factors, etc., meaning thereby that the Company expected to make a gross profit of £155,000 per annum in the Indies alone.

¹ Dutch Records, VIII, doc. 280; Dutch Records, VI, doc. 198.

² Wylde, p. 33.

³ See Boothby's figures in the Appendices.

This statement is based on the following figures:—¹

| | Money. | Goods. |
|--|---------------|-------------------------|
| The Pearle for Masulipatam | £8,900 | 1,500 |
| The Jewell for Bantam | 4,000 | 1,300 |
| Charles, Jonas, Dolphin, Hart and Swallow for Surat | 103,000 | 43,000 |
| | <hr/> 115,900 | <hr/> 45,800 = £160,700 |
| <i>Other Sources of Income in India.</i> | £ | |
| Profits on Goods sent | 30,000 | |
| Persian trade | 20,000 | |
| Goods from Surat and Masulipatam to Bantam, Jambe, Macassar, etc. | 25,000 | |
| Goods from Surat to Bantam | 10,000 | |
| Goods from Bantam to Surat, Persia, etc. | 70,000 | |
| | <hr/> 155,000 | <hr/> = £315,700 |
| Charges in India and Persia of shipping, mariners, factors, etc. (besides freights and customs), about | 20,000 | |
| | <hr/> 295,700 | |
| Rest in India | 60,000 | |
| Out of this one great ship from Bantam | 80,000 | |
| Two ships from Persia and Surat | | |
| Stock on hand—4 ships and a store of | £155,700 | |

Thus the carrying and Asiatic trades were a very substantial source of the Company's income by 1630. They were further increased by the continuance of war between the Dutch and the Portuguese for a decade, during which period the carrying trade of the latter was transferred to English and Danish ships. The Danes, we are told, carried so many Portugals from Bengal and other places to Masulipatam that it was unsafe for the Dutch to walk through its streets. The English carried Portuguese goods not only to the Oriental ports, but even to Portugal itself. They also profited by the sale of their merchandise and had the facility to obtain the productions of China through the Portuguese.

The cessation of the war and the revolution at home gave a set-back to the Company's carrying trade. Moreover, the Governor of Surat had got twelve vessels employed in carrying goods to the Red Sea and Persia on the Government account. The Dutch represent that he even forced the

¹ Letter Bk., I, p. 78. It will be seen that an error in calculation occurs in the first section.

merchants to make use of them and prohibited the Dutch from carrying any goods on freight. Thereupon the latter attempted to secure a share in carrying the Sind cloths to Persia and Bassora like the English, because they felt sure that the new opening would prove a gold mine. The coastal trade, too, suffered on account of the general depression in the business of the Company during the 'sixties.

Early Results of the Anglo-Indian Relations

Many far-reaching consequences of the direct trade carried on by the Dutch and English with the Indies become visible at a very early period in Europe as well as in Asia. In this connection we can first note some prominent tendencies which went on gathering force with the lapse of time. The Hanseatics, who carried on a very profitable sea-borne trade as far as Venice, were so completely wormed out of it by the Dutch and English that they had to sell their large ships and return home overland.¹ Then the English Levant Company made complaints, as early as 1601, on the decay of their trade into the Levant, alleging that all spices, silks, indigo and goods of the Indies, which used to be brought through Persia into Turkey, and from thence to England, were being brought direct from the Indies. The share of the Turks, Egyptians and Venetians was, however, more considerably reduced. The wealth, revenues, prosperity and population of the old commercial cities like Cairo, Alexandria, Aleppo, Constantinople, Mocha and Ormus were given a serious blow by the diversion of Oriental trade into new routes. But most of all, the direct and enthusiastic participation of the Dutch and English in the Eastern trade spelled a great disaster to the Portuguese trade and prosperity. The sinking condition of the Portuguese and the capture of their trade and possessions by the new adventurers form the prominent features of the period. Even in 1607 the Portuguese are reported to have sustained so great a loss in the East Indies that it was "thought in those places a wound almost incurable."² Then the trade to Lisbon for

¹ Calendar of State Papers, I, sections 342, 380. ² Calendar, I, section 380.

spices was overthrown through the East India trade with England and Holland, and so was also the sale of cloths and kersies, which were the chief commodities before transported by the Portuguese from Europe. Their general trade was very much curtailed by the prizes that were made of their ships as well as by the scarcity and dearness of goods, because the great number of merchant ships in the Indies naturally sent up the prices of merchandise. "What formerly cost the Portuguese one sol," remarked Pyrard in 1610, "now costs them four or five, and even what they can bring in safety to Portugal they are obliged to get rid of it at a less price than they were wont; nay, it is as much as they can do to get it sold at all, because the Hollanders sell at lower prices still, and do their business with much greater despatch."¹ In fact, the trade of the Dutch and English had so shortened their returns that half their galleons did not come, and those that came from Portugal brought new supplies for the garrisons, but returned so empty that the charge was "but defraidd." "Never were such opportunities," writes Sir Thomas Roe, "to discharge the Portugall from all these coasts. He is declining on all sides, and a little weight on his head now laid would sink him."

A few years after, in 1632, the Gombroon factors wrote to the Company that "the Portugals doe dayly decline in the Indies; and noe question oportunities will be offerred, either at Syndie or Seland (Ceylon), or other partes there adjacente, wherby to joyne issue with those people and settle a trade may prove very bennificiall." The long wars with the Dutch, the sieges of Malacca, Goa, Mozambique, Ormus, Colombo and the capture of many places thoroughly broke the pride, power, prestige and monopoly of the Portuguese. The accounts of Lancaster, Pyrard, Best and Della Valle, as well as the despatches of the time, make it clear that the Portuguese were the poorest folk in sea-fights. They, in fact, thought more of their lives and fought no more. At last, the naval battles from 1654 to 1658 off the coast of Malabar between the Dutch

¹ Pyrard, II, p. 204.

and Portuguese and the capture of the important stations by the former entirely destroyed the remainder of the Portuguese power in India. Their empire on the sea had completely vanished and with it had disappeared all the springs of their wealth, prosperity, pomp, pageantry and luxury. Della Valle saw at Goa how the Portuguese lived in outward appearance with splendour enough, though in secret they endured many hardships. Tavernier, too, has given a pathetic description of the abject condition to which they had been reduced by 1650. They had so fallen from their former splendour that he saw men of fortune begging alms in private.

The decay of Portuguese trade can be adequately measured by the fall in the number of ships that sailed from Lisbon from 1591 onward.

| Year. ¹ | Ships. | Years. | Ships. |
|--------------------|--------|-----------|--------|
| 1591-1600 | 54 | 1621-1630 | 50 |
| 1601-1610 | 50 | 1631-1640 | 29 |
| 1611-1620 | 49 | | |

Many of these vessels were required to guard the Portuguese Possessions from the Dutch and English invasions. Hence very few ships returned home laden with Oriental goods.

The Portuguese had thus passed off the political and maritime stages of India, but the effect on the Asiatic and Indian merchants of the increasing power of the Dutch and English was no less tragic. Ormus was a mere heap of ruins in 1625. Malacca, Cochin, Goa and many other Portuguese ports had lost their great trade. The Red Sea, Persian and Chinese trades were first mightily dislocated and then very much curtailed on account of the continued insecurity and frequent captures on the sea. It has already been seen how the port-to-port trade in India and Asia was controlled and appropriated by the Dutch and English, and how the share of the Indians in the carrying and foreign trades was being daily curtailed. The Europeans, as kings of the seas, could blockade any port, capture any vessel, shut up Asiatic merchants within their ports, and therefore they could and did slowly force the

¹ Sousa's History of Portuguese India, III, pp. 421-432.

foreign and coasting trades out of the hands of the Indians. In short, the latter had practically lost that foreign trade which was declared by Mun in his "England's Treasure by Forraign Trade" as "the great Revenue of the King; the Honour of the Kingdom; the Noble Profession of the Merchant; the School of our Arts; the Supply of our Wants; the Employment of our Poor; the Improvement of our Lands; the Nursery of our Mariners; the Walls of the Kingdom; the Means of our Treasure; the Sinews of our War; the Terror of our Enemies."

CHAPTER IV

CHARACTER OF INDO-BRITISH TRADE

HAVING taken stock of India's commercial position and outlook, traced the genesis and rise of British trade in the East in its quantitative aspect and indicated the great success achieved in diverting the Oriental trade into new hands, we may now turn to consider the course of development in the principal items of export and import. This study will give us outstanding facts of importance not only as to the quantity, quality and price of each of the chief articles of Indo-British commerce, but will also bring to light some of the interesting features of the up-hill work of building up that great trade.

It has already been seen that the ordinary items of the export trade from India were calicoes, indigo, saltpetre, pepper, sugar, drugs and provisions, while woollens, metals, coral, gold and silver, besides numerous curiosities like mirrors, sword-blades, knives, pictures, satins, tapestry, damasks, etc., were imported into India by the English as by the other European nations. Over and above all these things, spices were the commodity which brought the English into the East. These, though not the product of India proper, should take precedence over all other items.¹

Spices. When Philip II, the sovereign of Spain and Portugal, prohibited to the Dutch the importation of spices, they resolved to fetch them for themselves from the Spice Islands. So did the English set out for the Indies in search of spices whose prices had been put up by the Dutch. That their

¹ The article on "English Commerce with India" by Wm. Foster in the *Journal of the R. Society of Arts*, April 19, 1918, is a valuable contribution on the subject.

adventures in the supply of Java and Sumatra spices were crowned with a series of unexpected successes, will be revealed by the following table :—¹

| Year. | Ship. | Prime Cost of Cargo. £ | Selling Price in England. £ |
|-------|------------|---------------------------|--------------------------------|
| 1608 | Consent | Cloves = 2,948/15 | 36,287 or 12½ times |
| 1610 | Hector | Nutmegs = 1,730/15 | 27,064 „ 16 „ |
| | | Maces = 3,521/15 | 12,461 „ 3½ „ |
| 1611 | Expedition | Nutmegs = 1,609/10 | 26,868 „ 16½ „ |

When the English had thus gained the immediate object for which they had set out for the Indies, they soon extended their operations in the various branches of the Oriental trade. By the end of the second decade the annual consumption of the various spices in England with their prices in the Indies and at Aleppo, their ancient prices in England and the new prices due to the importations of the Company are stated by Mr. Mun as below :—

| Articles. | Indian prices. | Aleppo prices. | Prices in England | |
|----------------------|----------------|----------------|-------------------|------|
| | | | 1600 | 1620 |
| 400,000 lbs. Pepper | 2½d. | 2/- | 3/6 | 1/8 |
| 40,000 lbs. Cloves | 9d. | 4/9 | 8/- | 6/- |
| 20,000 lbs. Mace | 8d. | 4/9 | 9/- | 6/- |
| 160,000 lbs. Nutmegs | 4d. | 2/4 | 4/6 | 2/6 |

Sir Dudley Digges, another partisan of the Company, averred that the ancient price of pepper was 8s. against 2s. in 1615. Both the Indian and English prices seem to be understated to present the Company's case in the strongest contrast, yet the enormous profits accruing to the nation as well as the adventurers are patent to all. In the Home Miscellaneous, Vol. 39, is preserved a most important document on the quantities, prime costs and selling prices of pepper from 1616 to 1630. It appears that during the three years from 1616 to 1618, 1,432,186 lbs. of pepper bought at an average cost of 2¾d. were imported into England per annum and sold at an average price of 24½d. per pound. But during the decade after the expulsion of the English from Amboyna, i.e. from 1621 to 1630, the average importation fell down to 1,428,667 lbs. per year, the price paid in the East rose from

¹ Home Miscellaneous, Vol. 39, Sambrooke's Report.

2½d. of the first triennial period to 4½d. per pound during this decade, and the selling price went down to 18d. on the average. The actual quantities imported and sold from year to year will be found in the appendix to this chapter.

Here it should be noted in passing that Mr. Mun's statement as to the total quantity of pepper annually imported into England being 2,500,000 lbs. is exaggerated by at least 1,067,000 lbs. per year! Another amusing error which has been perpetuated by such well-known authors as Macpherson, Milburn, Macgregor and others is that they all give 250,000 lbs. as the average amount of pepper imported on Mun's authority, though the total price at 2½d. per lb. stated by them as by Mr. Mun is £26,041 13s. 4d. The quantity, as already observed, should be 2,500,000 lbs. Again, the annual consumption of pepper in England is also grossly exaggerated, because fifty-five years afterwards Sir Josiah Child stated the consumption of the article in his own time to be only 186,000 lbs.¹ Taking 200,000 lbs. as the annual consumption in England about the year 1625, it appears that about 1,200,000 lbs. of surplus pepper were sent to the European markets in those days. Thus, instead of consumers of Portuguese and Dutch spices, Englishmen had become the greatest suppliers of the Continent in this important commodity.

£218,000 worth of pepper were sent out in the year 1614 alone. The return cargoes from the East, which realised in London £876,557 from 1621 to 1623, were largely in spices. This lucrative branch was, however, almost annihilated after the Amboyna tragedy. Thereafter attention was turned to securing large quantities of Malabar pepper, which could now be obtained on account of the loosening monopoly of the Portuguese. £15,000 worth of pepper was ordered by the Company in 1625, while the total value of goods demanded for home was £78,219. 2,118 bags of pepper were carried in the ship *Charles* in 1630. The war between the Dutch and Portuguese and the Goa Convention between the English

¹ Annals, II, p. 298. Oriental Commerce, I, xix. Commercial Statistics, IV, pp. 314, 350.

and Portuguese gave golden opportunity for the development of this branch. Large quantities were imported by the Company as well as the private merchants. In 1639 the Malabar pepper was sold at 3s. 6½d. on the average at the Company's sales, while a small quantity of Jambee variety was disposed of at 19½d. per lb. in 1641. Instructions were sent to the factors that the Raybag pepper was "in England preferred before the best you receive from the South Seas." In the sales of 1640-41, cloves, nutmegs and mace also figure in small quantities. The English could not directly buy them from the Spice Islands; even at Surat and Gombroon the Hollanders refused to sell spices to the English, nay, as a further security, they usually retained them either on board their own ships or in the custom house, until the English vessels had sailed away.¹ Small quantities were, however, clandestinely secured from the Dutch mariners and factors, or from the Indian and Persian merchants. In 1650 cinnamon (125 chests) and cardamoms (16 bales) are found included in the sales of the Company. These were obtainable at Cochin, Raybag, Rajapur, Kherapatam, etc., on the Malabar coast. Thus the loss of the southern supplies was being made up by the Malabar spices. The price of pepper was at this period much reduced in England on account of the large importations by private merchants. It was 9d.-11d. per lb. in 1650 and only 7d. in 1657. We find that 39,534 lbs. of pepper bought at £439, or 2½d. per lb., were laden on the *Benjamin* alone in 1657. The annual importation at that time was stated to be 7,000

¹ The Dutch policy will be revealed by the following two extracts from the L.O. Dutch Records, Series I:—

(1) "No European nation besides ourselves, is admitted to the trade in pepper on the west coast of Sumatra, the spices are most in our hands. Whoever comes for trade to these Southern shores, will return empty handed." Vol. XI, doc. 350, 22nd Dec., 1636.

(2) "The destruction of the trees having been accomplished, we shall forbid the planting of new shrubs in the island of Timor itself or any of the adjacent dependencies and continually destroy those that may shoot up naturally or may have escaped destruction."

(3) "Europeans and Indians were excluded from the ports of Ticco, Priaman and Indrapura, so that the Dutch alone could supply spices to the Asiatic as well as the European markets," A.D. 1649, doc. 617,

bags, out of which 1,400 bags were required for the home consumption, while the rest could be re-exported to Europe where the prevailing price was 1s. 8d. per lb. Although the average cost was stated to be 10d. per lb., yet pepper evidently formed a very lucrative branch of the Company's investment, and hence all private merchants were forbidden to import it from the East.

Piece-Goods. Next to pepper, we can place piece-goods as an article of great demand in the Company's investments in this period. The calicoes reported by Wm. Finch in 1609 were the very fine ones of *Broach*, worth from 10 to 50 *manudies* per piece; the coarse cloths of *Nausari*, such as *Sainjanes*, which were broader than the calicoes and "more fitter for England than the *Buffetaes*," and also *Dhootie*, *Byramy* and *Sheribaffi*, which were worth on the average 6 *manudies*. Then there were *Pintadoes*, quilts, *Comorin* cloth and all sorts of painted stuffs in abundance. The advice of Bradshaw mentions several other kinds of cloth. It appears that piece-goods began to be imported into England soon after the settlement of the English in India. It will have been seen from the invoices of 1611 and 1621, given in the second chapter, that 12,500 pieces were ordered in the former year, but in the latter the quantity went up to 123,000 pieces, and to more than 165,900 in 1625. The demand for Indian calicoes was increasing so much that Thomas Keridge had to point out in 1624 that "the quantities of calicoes ordered to be provided annually will necessitate the resettling of divers factories dissolved last year." However, the wars in the Deccan so much "disjoynted all trade out of frame" that the supplies of piece-goods from Surat failed, and the prices and qualities of the cloths clearly showed "the great decay of weavers and trade in those parts." An increased quantity was therefore sought after on the Coromandel coast. There, too, for a time the wars and the famines had so much depreciated the quality and raised the price of calicoes that their demand in England decreased, while the development of the linen industry in the latter country discouraged the importation of Indian calicoes. Small quantities were, however,

carried every year for re-exportation to the Continent and for meeting the requirements of a growing dyeing industry in England itself. The Company pointed out that "callicoes in general were in tymes paste a maine support of that Indian trade, and were here in good use and well requested and bin sold to som profit. Since they have declyned in goodness and increased so much in their prises, they are nowe become here att a stand in their use, and other countrie cloathing, being better made and cheaper, succeeds in callicoes roome. All sorts of callicoes are of late very much disesteemed here; and would be more, were they not principally used in this place for dyeing into collours."

This despatch affords the most important evidence on the early growth of the weaving and dyeing industries of England.

The trade in the coast cloth was so much developed that we read of the Persian and Bantam markets as fully stocked with that "clothing and of a quantity of the same sent to England where it yielded contentable profit." Later on, the Company advised the Surat factors to send calicoes "well-chosen and bought, clean whited, with hansom making up. The calicoes which for the most part wee have sold are of the Coromandell makeing, whoe are nowe preferr'd before anie of the Surat cloathing, because they fitt best for French and other forren sales."

So far as the qualities of cloth were concerned, we are informed that Persian taffetas were better than those from Agra, but that their colours quickly faded away and they became spotted. The Agra fabrics were also inferior to those of Surat, the yarn and weaving of the former "being more hollow and deccitfull, especially such as is bought white; which indeed can not be well judged of, by reason of the extraordinary gumming and beating, an art or custome auncienter, we believe, then your trade in these parts." To prevent these defects the factors began the practice of buying all cloth brown and having it cured at Baroda and Broach under their own superintendence.

In short, the trade in calicoes for the supply of the European

markets was developing in the hands of the English. In the general depression of their business the export of cloth showed a great fall. The sales of 1650 do not indicate any great quantities of cloth put for sale, nor do the loadings of the Company's ships arriving in 1656.

Indigo. India is the original home of this dye. All the civilised nations of the ancient world got their supplies from this country. Yule has brought together some references from the works of Hippocrates, Dioscorides and Pliny, from the *Periplus* and other books, for showing the use of indigo among the ancient Greeks and Romans. The very word is a sufficient testimony of the source of the article. India continued to enjoy the monopoly till the middle of the seventeenth century. The English merchants used to carry it to their country during the sixteenth century from Aleppo and also got supplies from the Portuguese. When they first opened direct relations with India, we find them very anxious to secure that article. William Finch stated that the Biana kind was worth from 40 to 60 mamudies per maund, while the Sarkhej one could be procured at half the price. There was yet another coarser variety obtainable at Jambusar and Vorodca (Baroda) for 15 to 20 mamudies. In November, 1613, Aldworth reported that indigo could be had cheaper at Ahmadabad than at Surat, though the price quoted was Rs.14 or 35 mamudies, which is more than that quoted by Finch four years before at Surat. Private trade by the Company's servants in indigo was prohibited by Sir T. Roe,¹ because it was considered an important commodity for export to Europe. It formed the chief lading of the *Hope* in 1615. As the English were also opening trade with Arabia and Persia in Indian and European goods, they were anxious to explore all the principal markets in India for indigo. By 1625 Agra, Biana, Ahmadabad, Sarkhej, Jambusar, Cambay, Dholka, Lahore and the Coromandel coast had been tried. The Biana sort was most in demand in Persia and the Armenians and the Moslem merchants used to import large quantities of it into the

¹ Embassy, p. 350.

country. In 1628, 1,500 bales were sent there on English and Dutch ships alone. The English soon succeeded in capturing a large share in that trade, as is evidenced by the Surat Letter to the Company, dated December 31st, 1630, wherein *it is stated that they had begun to supply daily great quantities of indigo and calicoes to the Arabian and Persian markets, which before used to be performed by others both by sea and land.*

A few years later this lucrative branch of the Indo-European and Asiatic trades was threatened by the grant of a monopoly by the Great Mogul. The sale of this article was farmed out to one Manohar Dass for Rs.1,100,000. Thereupon both the Dutch and English entered into an agreement to oppose it by laying down that for one year neither nation should buy at a higher price than Rs.42 per Akbari maund of 50 lbs., nor convey any indigo to Persia for private merchants. The Dutch agent had, however, already purchased 300,000 lbs. at Rs.61 per maund and also paid in advance at the rate of Rs.50 per maund. Thus the object of the agreement was frustrated, but soon another trump card was played to bring pressure on the Emperor. The English sent orders to close the factories at Broach, Ahmadabad, Cambay and Agra. This move alarmed the Government, and had its desired effect. As the indigo cultivators, too, were dead against the monopoly, the Emperor very judiciously cancelled the lease, allowed both nations liberty to purchase from whomsoever they liked, and also ordered his revenue officers not to exact any tolls other than the seaport duties.

It must have been realised by this time that indigo was the most important article next to pepper and calicoes for the home investment of the English and their Asiatic trade. Yet its market was being spoiled by the keen competition of the Courtcen Company and of the English Company's servants, who, in spite of prohibition, were trading in their private capacity in this and many other articles. The correspondence of those years is full of complaints on both these heads, but nothing effective could be done to suppress these internal and external competitors.

Of late years the rich Bianna kind was being preferred in England as well as in Holland. The greater demand and the keener competition naturally sent up its price. It was, therefore, hoped that the slackness in the demand for the Sarkhej variety would lower its price to Rs.14-16. At the same time both the nations combined to bring down the prices of indigo. To the difficulty of higher prices was added another of the low quality of indigo sent home. Serious complaints were repeatedly made of the mixing of dust. The factors promised to do their best to improve the quality, "being sensible how that specie is one of the chief supporters of your trade." They even induced Prince Aurangzeb, who was then Viceroy of Gujerat, to prohibit the adulteration of indigo. The price of the indigo procured at Agra, Khurja and Hindaun remained at a high level, varying between Rs.45 $\frac{3}{4}$ and Rs.48 per maund. Taking the rupee as equivalent to 2 $\frac{1}{2}$ mammdies, as was done in 1639,¹ we find that the price then varied from 115 to 120 mammdies per maund. This high price naturally entailed the profits of the Company. It is therefore reported in the Surat Letter of January 10th, 1652, that indigo had "hithertofore bin your most gainful commodity," and it was then suggested that the profits in sugar were likely to exceed in future those of indigo.

It is interesting to note that the indigo trade was at this time further threatened by the importation of the West Indian indigo into England. The competition of this cheaper plantation produce was expected to tell heavily on the Company's investment in this profitable branch of its trade. To avoid future losses, the development of the Persian silk trade was suggested. But, though the Company could safeguard its interests, the decline of such a rich trade meant a serious blow to the agriculture and foreign trade of India.

Raw Silk. The other great trade which the English attempted to develop from the very beginning was that of silk supplies for England as well as the continent of Europe. The factors at Bantam were ordered in 1606 to try a trade

¹ Invoice of the *Royal Mary* in Marine Misc., IV.

with the Chinese by changing woollen cloth for silk, etc.¹ In 1608, eight bales of Lankin and Canton silk were sent home from Bantam, and small quantities of both raw silk and silks continued to be supplied afterwards. For instance, the *Gift* carried home fifty chests of silk of all sorts in 1616. Attempts were made to open direct trade with Japan and China through Richard Cocks and John Saris² on the one hand, and to explore the Siamese and Persian markets for silk supply on the other. We are informed that the Persian silk was procurable at Arras in Georgia and Lahijan in Ghilan at about 65-70 abassees the Shahi maund of English 12½ lbs. A very enthusiastic report was made from Ispahan by Edward Connock, who said that the silk trade was "the only richest yet known in the world," and that the annual import of Persian silk amounted to full-£1,000,000 sterling at 6s. the pound of 16 ozs.³ He believed that this trade would yield far better satisfaction than many, if not all the Indian trades put together.⁴ The silk trade was diligently taken up, particularly after the tragedy of Amboyna, so that in the years 1622 and 1623 £190,000 worth of silk was imported into England by the E.I. Company. The capture of Ormus and the share in the Gombroon customs for a time gave splendid opportunity for the development of this branch, but the competition of the Dutch soon spoiled the market. It was reported in 1641 that silk was costing them 15s. or 15½s. the great pound of 24 ozs. and the price realised was only 10½s., though formerly they paid about 12s. and sold it at 22s.-25s. per lb.⁵ The monopoly in the sale of silk by the king and

¹ Addl. MS., 24,934, p. 83.

² Diary of R. Cocks and Voyages of J. Saris (Hakl.).

³ Letters Recd., I, p. 21; III, pp. 177, 242.

⁴ O.C. 464, April, 1617.

⁵ The discrepancy in the quotations of prices in various authors is simply perplexing. According to Olearius (1633-38), the price of raw silk was not above 2/6 or 2/8 per pound.

He states that the annual yield of silk was 20,000 bales, each bale being 216 lbs.; that all Persia did not spend above a thousand bales of silk, and that the rest was sold in Turkey, the Indies, Italy and to the English and Dutch. In other words, the imported silk amounted to 4 million pounds, while Cannoek estimates only one million pounds.

"Voyages and Trades of the Ambassadors," by Adam Olearius. London, 1669.

the gross abuses and extortions practised by the Persian officers in its sale very much discouraged the English. Having been shut out from China and discouraged in Persia, they turned more attention to the supplies of silk in India.

There is no mention of silk in the early reports of the English factors at Surat. The Company was pressed to open trade with Bengal for raw silk as early as 1613, in imitation of the Dutch who, it was stated, had invested some 100,000 rials in wrought and unwrought silks.¹ Sir Thomas Roe was specially commissioned to attempt the acquisition of trading rights in Bengal and Persia for opening up the silk trade, but nothing could be effected by him so far as Bengal was concerned. A few years afterwards, in conformity with the Company's order for procuring 100 maunds of Bengal silk, the Surat factors included the stated quantity in their proposed investment of the year 1621.² A factory was established at Patna by Hughes and Parker and silk, silk stuffs, and several other commodities were sent to Agra. *The Lion*, the *Hart*, and other ships from Surat arrived in England with a parcel of other silk and a trial was made by one Mr. Millward. Bengal, "less it was conceived that though it should prove
"Nevertheless, better than the other sort, the Company will find somewhat bettering of it hither."³

no benefit by it. The factory established at Patna had to be Hence, the first of the Company's prohibition of Bengal dissolved on account of, been made to procure Bengala silk silk. Attempts had also been made to procure Bengala silk through the Masulipatam factory, but the agents there saw no prospects of securing it in 1621. In another letter, dated February 26, 1622, they wrote:

expectacion vanisheth like smoke. was made to open trade Ten years later another attempt was made to open trade with Bengal, but this time, too, the enterprise "fayled of its expected success." However, it was discovered that there were prospects of a considerable trade. Silk c

¹ Court Bk., 3, p. 69.

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² Court Bk., 4, p. 235; Surat consultations, March, 1621, (Hakluyt), ii, p. 136.

³ Court Bk., 6, p. 70, 9th Aug., 1623.

at 4 to 5 fanams the English pound. It meant that the prime cost of this article was only 2½s. per lb. or about a rupee in 1632. At this time two bales of Bengala silk were sent to England as a sample in the *Mary*, and they were disposed of at 20s. per lb. for trial only.

The English settled factories in Orissa and also acquired the right to trade in Bengal. In the latter they were not, however, allowed to establish factories for fear of quarrels with the Portuguese.

Through the instrumentality of Dr. Boughton and Brookehaven, they obtained in 1650 such privileges as far outstripped those enjoyed by both the Portuguese and the Dutch. It was then pointed out that 200–300 bales of silk could be procured in February or March at Rs.85–90 per maund.

The prospects of developing the Bengal trade were for a time darkened on account of the breaking up of the Anglo-Dutch War. The Company, too, was then financially in dire straits. It did not even keep any record of its business in those years, “the Court considering what prejudice it might be unto them if this business were not carried very secret and privately” (Court Bk. 23, p. 159).

But after the cessation of the war, we find 13 bales, or 2151 lbs. of Bengala silk worth £705, included in the goods laden on the *Benjamin* at the Swally Marine on the 20th January, 1657. On the basis of its invoice value, it cost¹ the Company in India 7s. per lb. Thus it appears that prices had

¹ The following data on silk prices and importations will prove useful and interesting :—

| Year. | Price. | Remarks. |
|------------|-------------------------|---|
| 1613 | | Large quantities sold. Court Bk., 3, pp. 184, 226. |
| 1614 July | 25/1 per lb. of 16 oz. | Court Bk., 3, p. 394. |
| 1615 March | 31/5 per lb. of 16 oz. | 1 cwt. 1 quarter sold. |
| 1619 Sept. | 26/10 per lb. of 24 oz. | 71 bales of Persia silk. |
| 1621 | | 100 maunds of Bengal silk invoiced. |
| 1622 | 27/— | C. Bk., 4, China silk brought, 414, 435. £93,000 worth Persian silk brought. |
| 1623 | | C. Bk., 7, p. 595. £97,000 worth Persian silk brought. |
| 1626 May | 26/8 | |
| 1628 Dec. | 28/8 | 782 bales of Persian silk. |

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soared to an exceptionally high level within a short time, due probably to the large purchases made by private merchants and the Dutch Company. The latter is reported to have exported goods worth £45,000 from Bengal in 1659. These included 910 bales of silk alone. (Marine Misc., IV.) Thus at the end of our period a small beginning in silk investments had been made by the English, but it was destined to develop to great proportions in the next few years.

Saltpetre¹ may be placed next to spices, pepper, silk and cotton fabrics, and indigo in importance as an article of export from India. It did not attract the attention of the English factors up to 1620. It is not mentioned in Sir T. Roe's report on the goods available at Agra and in Bengal. The earliest reference to its supply is in the reply of Thomas Kerridge in 1621 to the Company that it was not available about Surat. At that time the Dutch used to export large quantities from Pulicat and bring it back in the shape of gunpowder, because, as reported, the Indian powder "will not keepe, for being ill-corned it grows all into clodds." In 1625 the Company were informed that saltpetre could be secured very cheap, and President Kerridge promised to have a supply ready for the next ships to be despatched to England. From his letter of January 4th, 1628, we learn that large enough quantity had

| Year. | Price. | Remarks |
|------------|--------------|--|
| 1629 Feb. | 21/- | |
| 1630 | | 1400 bales, "which will nearly equal the whole estate of the 1st Persia Voyage." |
| 1635 | | China silk trade tried. |
| 1636 March | 21/3 | Persia silk. |
| 1637 " | 23/- | China silk. |
| 1639 " | 18/4 | Persian coarse silk. |
| | 18/0 | Persian coarse silk. |
| 1640 | 17/- to 17/2 | 356 bales sold. Prime cost 10/6, formerly sold at 22/- to 25/-. |
| 1641 | 15/- to 18/6 | <i>The Supply</i> brought 600 bales. |
| 1642 | | <i>The Crispian</i> had 527 bales of Persian silk. |
| 1650 | 20/2 per lb. | |

¹ Eng. Fact., Vol. 1618-21, pp. 251, 336; Vol. 1622-23, pp. 128, 229; Vol. 1624-29, pp. 83, 209, 215, 270, 275, 335; Vol. 1637-41, pp. 72, 91, 262.

been sent to ballast the ships and that they would send a like quantity on every ship, and more, if it could be got. In the same month 2000 maunds more were bought at Rs.2 $\frac{1}{4}$ per maund, while two months later the price fell to Rs.1 $\frac{1}{2}$ only. The Company were informed that this commodity could not be exported without royal permit. The English and Dutch factors were imprisoned at Agra in 1628 for exporting it clandestinely. Bribes and presents, however, secured their release and the necessary permission. One year after we hear that more saltpetre than ever before was sent, and that orders had been given to purchase the whole available quantity. Its demand continued to grow. In 1638 promise was made to procure a far larger quantity of saltpetre which had proved so good. On the other hand, the Directors complained that saltpetre was expensive to buy and troublesome to carry home, as it infected and spoiled other goods. Orders were consequently sent to give preference to sugar, ginger, cinnamon, etc. Its supplies were not stopped, rather means were suggested for preventing its bad effects. Yet the quantity was curtailed in 1639 and it was bought no more the following year. The deficiency was made up by the purchases made by the Courteen Company's ships, and the Company's factors, too, indulged in it in 1643. Next year the factors were required to provide 20 or 25 tons of it for kentledge only. The general trade was so much depressed on account of the growing competition of the Portuguese, Dutch and Courteen Company that supplies were altogether stopped in 1649, and the stock at hand was sent to Bantam for sale at Macassar. It should be observed that factors had been busy in exploring new markets for the supply of this article. It was procured from Masulipatam (1637), at Armagaon (1638), Bengal (1639), Raybag (1640), Rajpore (1645) and Tatta in 1647. Best hopes of the development of this branch of trade were cherished at the foundation of the factory at Hugly. The cost at Patna was only Rs.1 per maund, though customs and freight raised the price at Hugly to Rs.1.4as. In the same year 200 tons of well-refined saltpetre was ordered to be sent for the use of

the State. The Dutch were then exporting ten times as much. In 1651 private English merchants had, however, imported such large quantities that, after satisfying the needs of their Government, they had exported much to France, Sweden, Hamburg, Holland and Italy.

Now we must take a rapid glance at the supplies of cotton-wool¹ and yarn. The first, though now one of the principal exports from India, occupied a very insignificant place in those days. Cotton was reported by William Finch to be worth from 40 to 60 mamudies per *candy*, while yarn of all sorts, both fine and coarse, was at about 8 or 10 mamudies per *maund* or Rs.5 per *maund* at the highest. It was one of the principal articles in the coastal trade of the Indies, being carried to Sumatra and other adjacent islands, Persia and Arabia. As an import into England, some of it was used in packing calicoes, and some used as ballast and stowage. Sugar and saltpetre being scarce and dear, the factors sent cotton which the Company did not much desire, but it was expected to be a profitable lading, especially when it could be pressed as they did in Turkey. Instruments were demanded for its compressing. In 1628 the price of cotton was reported as 72½ mamudies per *candy* of 20 *maunds*, which meant a rise of about 25 per cent on that of 1608-9. Two years later, order was sent to provide cotton-wool only to fill up the vacant corners of the ships. The *Charles* had 22 bales of cotton as cargo in 1630 and the *Royal Mary* 15 bales in 1639. Then followed complaints of its dearth, but the price fell abnormally from 10 and 12 to 4 and 5 mamudies per *maund* in 1644. Even this reduced quotation was 50 per cent higher than that of 1608-9.

| | | | |
|---------------|---|---|-----------------------------------|
| 1608 | . | . | 40-60 mamudies per <i>candy</i> . |
| 1628 | . | . | 72½ " " |
| During famine | | | 200-240 " " |
| 1644 | . | . | 80-100 " " |

Indian yarn² was imported into England by the Levant

¹ Letters Reed., I. p. 28; Eng. Fact., Vol. 1624-29, p. 212.

² Letters Reed., III, p. 83; Eng. Fact., Vol. 1619-22, pp. 41, 44, 49, 153, 157, 185; Vol. 1624-29, p. 64; Vol. 1630-33, pp. 4, 9.

Company, so its import by the E.I. Company was not a new introduction. In October, 1614, it was decided to send £500 worth of yarn to England out of a cargo of £14,802, and 316 maunds were laden on the *Hector* bound for Priaman and Ticcoo, but she seems to have proceeded with this cargo to England. The Company forbade the sending home of yarn in 1618, while the Masulipatam factors advised to procure it in their town whence the Dutch were sending large quantities to Holland. Yarn was abundant at Broach : 10 to 12 maunds a day could be got by the English all the year round at prices varying from 7 to 20 pice the seer fit for England. Its demand grew so much that in case of failure in securing other goods, yarn, either plain-reeled, as desired, or cross-reeled, was to be sent home. In 1628 525 bales were sent to England. The factors were afraid that this quantity would cloy the market, but the Company reported it to be a profitable commodity. "There is no fear," wrote the Directors, "of glutting the market here by selling cotton yarn, for much can be sold than has ever yet come from India." Order was given to provide 600 or 700 bales annually in future. When large investments began to be made at Broach, the weavers "grew into a mutiny, and combined among themselves not to bring any baftas to our house untill wee give them a writing not to buy any more cotton yarne ; nor have they to this day. You may not therefore expect such great quantities as required or heretofore sent you, for except in this place (and here alsoe by stealth doe wee in a manner gett itt into our house) it is not to bee had."

It is abundantly clear from this Surat letter that the exports of yarn very much raised the price to the prejudice of native weavers, and that scarcity of yarn was felt even in such great manufacturing centres as Surat and Broach. The prices of cotton and yarn were reported as 12 and 23 mamudies per maund at Surat, Broach and Baroda, though yarn could formerly be had at 16 mamudies per maund. This abnormal rise was undoubtedly due to famine, so that in 1636 the price went down to its normal level. The demand in England had

much increased for the finer sort, as the workmen had of late found many uses for it. The price of this quality of yarn in India was given as 12-14d. per lb., while two years later, in another letter dated November 27th, 1613, the price in England of good yarn is quoted 2s. 9d. per lb., meaning thereby that the prices realised at home were $2\frac{1}{2}$ times those given in India. Large investments were natural, but the factors in India could not get a sufficient quantity of the requisite quality. The Agra and Ahmadabad markets, too, fell short of the desired quantity. Moreover, owing to the large investments made by the Dutch, yarn was too dear. Thereupon samples were obtained from Baroda, and these being equal to, if not better than, what was procurable at Surat, 50 bales were purchased. It was believed that Baroda would be the best source of supply in future.

During the period of general depression the Company ordered only small quantities as, for instance, 150 bales were demanded in 1653. The demand was still further reduced on the part of the Company, though the private merchants must have imported large amounts of yarn. It is clear by this survey that the demand for this commodity had very much increased in England, and that there was often difficulty in securing the requisite supply in the principal Indian towns, due undoubtedly to the intense demand for it in the country itself for the purpose of manufacturing cloth.

Sugar. The cultivation of Indian sugar-cane was introduced into various countries at different epochs, so the foreign demand for Indian sugar must have from time to time been curtailed. Most parts of Europe were supplied by the Portuguese with Brazil sugars during the sixteenth and seventeenth centuries, yet Indian sugar was not altogether excluded from Europe. The Levant Company used to supply England with this article from Alexandria, and then the E.I. Company began its import in the second quarter of the seventeenth century. Mr. Aldworth found indigo, white powdered sugar and divers other stuffs fit for England at Ahmadabad in 1613. He intended to send some of these

articles for trial at home. The price of sugar was then quoted by him as Rs.2 per maund. The Surat sugar was reported as "no commodity for England," and the Ahmadabad kind was also no good. However, sugar was sent home about the year 1628-29. The Directors complained that the consignment was damaged, coarse and dear, and prohibited the Surat factors from purchasing any more in future. The latter had already despatched a quantity of the Agra kind by their last ships, and had 178 bales containing 3028 maunds of the same at hand. As it was not a very profitable concern, the Company allowed their servants and mariners to trade in this commodity. Although Indian sugar could hardly compete with the Brazil kind in the Western world, yet small consignments continued to be included even in the Company's investments all through this period. We are told that Agra was then the chief centre of sugar manufacture, and the best and the cheapest could be had there in large quantities, although in Bengal it was reported to be still better and cheaper. At the same time, "sugar being procurable in many places" a small trial was desired to be made in each variety. Thus we find the English factors exploring the various centres of sugar manufacture in India for their requirements which, it is a pity, cannot be determined now on account of the lack of necessary data in the records.

Tea and Coffee. It is interesting to mention that neither Linschoten nor Pyrard has referred to tea as a popular drink of the Chinese. The former describes the use only in Japan, where it was drunk by every man whether it be winter or summer after meals. The Chinese are represented as drinking wine made of rice and "brewed as we brew beer." But it is reasonable to assume from the accounts of other travellers that it was not universally used even in Japan. Master Arthur Hatch, Minister, and Saris, writing about the meals and drinks of the people, do not notice the use of tea. The ordinary drink of the common people was hot water or a light wine prepared by boiling water with rice. The earliest reference is in a letter from Mr. R. Wickham, the Company's

Agent at Firando, who writing in 1615, to Mr. Eaton at Miaco, asks for a pot of the best sort of Chaw. The European residents at Surat some time after began to drink tea. It has been stated by Mandelslo in his *Travels* that the English and Dutch were entertained at their ordinary meetings with tea, instead of which the Persians used coffee. There must have been a growing custom of tea-drinking in India, as we find that 20 maunds of tea were included in the goods landed at Surat from Batavia in 1650, and all bought by two Surat merchants. There is, however, no reference to tea being sent to England.¹

The case is quite different with coffee. It was much used by the Turks, Arabians, Egyptians and Persians in their own country, and they continued this habit in other lands wherever they settled. Its use was noticed by Linschoten,² Pyrard,³ Roe,⁴ Terry⁵ and others. Monfart (1610) would have us believe that it was drunk from Turkey to China. According to Terry, many of the people at Surat, who being strict in their religion, drank no wine, used colwa or coffee, "a drink more wholesome than pleasant." The earliest reference in the official correspondence to coffee, besides that of Sir T. Roe, is in *Letters Received*, Vol. I, p. 122. The English began to deal in coffee about the year 1619, when Mr. Kerridge sent for the Surat market 100 Surat maunds of the very best kind of coffee from Mocha, which was brought to India in 1621. The best report on its supply and demand is from the pen of Mr. Kerridge. "Regarding coffia, they state that only Mocha and the places adjacent doth yield that seede, which serveth all Turkey, Arabia, Persia and India." According to him, the seed and husk could be bought at 11/11 and 6/6 mamudies per maund and sold at 15 and 8/9 mamudies at Surat. Both

¹ *Letters Recd.*, I, pp. 144, 157; *Purchas, E. S.*, Vol. X, p. 64; Hakluyt—Saris, p. 127; *Harris*, I, p. 755; *Eng. Fact.*, Vol. 1646-50, p. 330.

² *Eng. Fact.*, Vol. 1619-22, pp. 89, 296, 306; Vol. 1624-29, pp. 191, 213; Macpherson, pp. II, 447; Linschoten, A.D. 1598, Vol. I, p. 157.

³ Pyrard, A.D. 1610, Vol. I, p. 172.

⁴ Roe, A.D. 1615, *Embassy*, p. 32.

⁵ Terry, A.D. 1616, *Purchas, E. S.*, Vol. IX, p. 21.

were used for beverage, though the seed was better and dearer than the other.

He sent samples of each sort to England. The English used to carry coffee to Persia, Gombroon, Bassora, Surat and even to Madras, but not to England up to 1660. The Hollanders introduced its use in their own country, while in England the first coffee-house was opened by Mr. Edwards, an English Turkey merchant, in 1652.

British Exports to the East

Woollens. The manufacture of woollen cloth was the principal, if not the only, industry worth mentioning in England at that period. Every attempt was consequently made to encourage the export of woollens, as it also served to reduce the export of bullion. The expanding market in the East is evidenced by several early reports. In 1608 John Saris demanded only 20 pieces of broadcloth for Bantam, i.e. for the whole sphere of English influence at that time. Next year Finch required 200 to 300 pieces of broadcloth, besides kersies and baize, of which good quantities could be sold at Surat and Agra. Then, the invoice of Thomas Aldworth for Surat alone was 1500 pieces, and he held out the hope "to vent 4000 cloths per annum." The character of the cloths required will be evident from the following invoice of Aldworth :—¹

500 Venice red cloths whereof 30 or 40 stammels.

100 Popinjay greens, and light grass greens.

100 Straw colours, yellows and horse flesh.

100 Light blues, commonly called Hulings.

200 Murries in grave and other pleasant colours.

500 Pieces of Devon Kersies of the colours above said of 50s.

It seems that these large orders were sent without fully realising the Indian demand. Some time after it was truly represented that "for the price of covid of our cloth a man will there (at Surat) make himself two or three suits." Cotton fabrics were then and are now best suited for the Indian

¹ Letters Recd., I, 240.

climate, therefore woollens could only be used for the covering of elephants and the making of saddles. They were fit for the use of the nobility only. In 1617 the Surat factors complained that broadcloth had "become a very drug." This slump necessitated the curtailment of the invoice to 100 pieces alone. Then Kerridge is found complaining of "a glut of broadcloth in India, though the price is not much stood on (when wanted), being used by the King and nobility." Again, in 1631, English commodities lay dead undisposed. Although the sphere of English trade had gone on increasing in India, yet even in 1629, 300 pieces were advised by the Surat factors. No English cloth was sent to India for two years, as mentioned in the Surat Letter, dated 13th April, 1634.

In this branch, too, the Dutch competition was telling heavily upon the English. Their cloth excelled the English one in fineness, colour and dressing, and yet it was "shamefully by them undervalued in price." Hence, about 400 broadcloths and kersies were ordered that year. Ten years later the situation remained unaltered. The cheaper and superior Dutch imports were thwarting the sale of English cloth. There was, moreover, the competition of the Persians, Armenians and private English merchants who were selling the same cloths at lower prices at Agra and Delhi. Notwithstanding this competition, English cloth was introduced in Persia and in all the important centres of India, as Surat, Agra, Delhi, Tatta, Masulipatam, etc. In 1647 a growing demand was reported from Bengal, Agra and Persia. It was followed by a favourable report in 1649-50 of the vent of broadcloth in India, Johore, Perak and adjacent places. The Bengal demand of 1650 for 30 or 40 pieces per year, shows how the Company could not much succeed in finding a market for woollens. Complaints of a reduced demand continue in the following years from Persia and Agra. The Company are again urged to prevent private trade in this commodity, because only then considerable profit could be made. It should also be observed that the methods of

packing, dressing and colouring were not good in those days, so that we find the factors repeatedly pointing out improvements in these items. We shall see in our next survey how these defects were removed in the following half a century and how vigorously the sale of English cloth was pushed on.

Next to woollens, metals were the only produce of England needed for the East.

Metals. Iron, copper, tin, lead, quicksilver and vermillion were always in considerable demand in India. The first three were at times sent on trial, but proved to be unprofitable. The indigenous *iron* and Japan and China *copper* brought by the Portuguese and Dutch were far cheaper than those of England. *European* tin also could not compete in India with the kinds imported from China, Tenasserim and the Malaya Peninsula. The Persian market was as well supplied by the other European rivals. The Dutch were able to hold a monopoly of the supply of tin to all the Asiatic countries. The English struggled hard to obtain concessions of buying tin in Perak, Johore, etc., but did not succeed during the period under review. The case was different with lead. It was imported from Europe direct, or through Mocha and Ormus, before the advent of the English. Finding a constant demand, they carried lead even in their first voyage to Bantam. Finch mentioned the Surat prices of lead and tin to be 8½ and 40 mamudies respectively in 1609. Six years later Elkington advised the Company to send 1000 pigs of lead, but in 1617 Kerridge observed that the whole kingdom had not "disburthened them of above 9000 maunds at most," and that 9500 maunds were left in their storehouse. This was considered a sufficient supply for the following year. They always tried to find a market for lead at all their factories. The price in 1623 and 1629 had remained at the old level of about 8½ mamudies, both at Surat and Ahamadabad. At that time the annual demand amounted to 1000 pigs. Since 1632 the market was spoiled by the Governor of Surat, who did not allow any European to sell lead to anyone but himself. This

monopoly very much reduced the profits. For instance, in 1639 it was sold at $7\frac{1}{2}$ mamudies per mannd. Even six years later the demand was slack, yet lead was here in better request than in any of the adjacent countries. The factors did not invoice it for a year or two in the hope of raising its price to 10 mamudies. In 1649-50 small quantities of the metal were sold or bartered, but even Capt. Bridgman held out no hope of selling any quantity in Bengal. Two years later still, it was reported as the King's commodity, and the price was 8 mamudies per mannd. Thus throughout this period of fifty years the price of lead remains almost constant, and the demand much restricted on account of the monopoly of its purchase. It was much used in making shot, packing cloth or manufacturing red lead. The Indian Government wanted the whole supply for its own use, and hence claimed the right of pre-emption.

Quicksilver¹ was much employed from very ancient times in making vermilion and medicines, and extracting silver from its ores. Finch and Elkington both reported it to be "always a vendible commodity." The market could not be "glutted with what quantity can be attained in England." The price was stated to vary from 240 to 350 mamudies per mannd, but the reported discovery of a mercury mine lowered the price to 200 mamudies. It was then feared that "in a few years it will not countervail the charge of sending hither." The demand for foreign mercury was much reduced, so that the Company were informed that "one year or two were better forborne than sent."² Another mine was reported to have been discovered near Lahore; there was also the competition of the Portuguese and Dutch, who as usual imported large quantities from the old source in China, and again, it was found that the metal imported by way of Mocha was cheaper than the English could afford. Still, small quantities continued to be sent for by the sea-route. In 1621

¹ Eng. Fact., Vol. 1646-50, pp. 7, 36; Kutilaya Arthasastra, p. 98; Letters Recd., III, pp. 9, 66.

² Letters Recd., IV, pp. 297, 337; V, pp. 106, 135.

a consignment was sold at 150 mamudies per maund which was equivalent to $4\frac{1}{2}$ s. per lb. "Two thousand maunds will sell at pleasure," was the report. From 1622 the demand seems to be very great and the prices were very high, ranging from Rs.85-98 in 1622 to Rs.125 in 1625 per maund, and 7s. 4d. per lb. in 1629.¹ In other words, the prices varied between 205 and 300 mamudies per maund during these seven years. This period of inflation was followed by a serious depression, due to famine, wars and the competition of private English merchants, but especially to the deliberate cutting down of prices by the Dutch to beat down the English. They sold it at Rs. 62-63 in 1630, 140 mamudies or Rs.60 per maund next year, 4s. 6d. per lb. in 1632 and only 90 mamudies per maund in 1633. Supplies were stopped for two years, small quantities were ordered next, but profit was doubtful even in December, 1639. However, the market recovered in 1645-47. The Company were informed that "the quicksilver was very welcome, it being a rising commodity and not any to be sold in town but yours." There were offers of Rs.70-74 per maund and a prospect of a still further rise in 1648. Large quantities imported by the Dutch and Portuguese from China sent down the price to Rs.60 per maund.² The English used to buy it from Holland and even Italy, so it was difficult for them to compete with their rivals. To put an end to English competition in this branch, the Dutch prohibited its exportation from their country in 1659.

Taking the metal group as a whole, it is evident that the English could not extend their business in this line during this first period of more than half a century, the chief reasons being that there was a large supply of all metals from the Southern Islands, China and Japan, and that the English were excluded from these markets on account of the exclusive control of the commerce of those countries by other rivals.

Among articles not of the growth or manufacture of

¹ From the Dutch Records, Series I, Vol. 8, doc. 267, we learn that the English had outdone the Dutch for some years in supplying India with lead, vermilion, and quicksilver, for which a great demand existed. A.D. 1629.

² The Surat maund was first of 28 lbs. and later on of 33 lbs.

England but imported into India by the English, coral¹ and ivory stand out prominently. Coral was much in demand from very ancient times. Several varieties of it have been spoken of in the Arthashastra of Kautilaya, probably of the fourth century before Christ. We have already seen a brisk trade in it at various ports. Naturally the English were interested in securing a share in its supply. William Finch demanded "some small quantity of red coral, the first for a trial," in 1609. Four years later Biddulph reported that coral would prove a good commodity, and held out the hope of selling a great quantity in Deccan where it was used for burning with the dead. Thomas Aldworth confirmed all the points of his predecessor, and added that 300 chests were usually brought from the Red Sea at a time and yet the market was never glutted. Afterwards Elkington advised the Company to send coral, as it would tend to a great profit. This experimental period was soon over. In 1616-17, when the question of transferring the English headquarters from Surat to Gogo, or Gogha, on the Kathiawar side of the Gulf of Cambay arose, it was pointed out that the latter place was not "so fit for the vent of three of our main commodities, which are coral, lead and teeth." The report of Thomas Kerridge is worthy of notice: "That from Mocha is of a paler hue, yet they spare not to furnish this place (Surat) with at least 300 chests at every return. You may boldly send by every shipping adventure, far greater quantities than is now supplied, and rely on a competent gain by such employment."

The Surat merchants were naturally alarmed at the ever-growing quantities imported by the English and Dutch merchants. The Company were informed that the people of the country were "in purpose to relinquish their corall trade out of the Red Sea, seeing ours so much better than theirs." The Indian merchants petitioned the Prince to prohibit the sale of foreign coral and its further supply through the Europeans. The local Governor forbade the landing of coral

¹ Letters Recd., I, pp. 33, 307, 310; III, p. 10; IV, p. 152.

from the English fleet. The English appealed against the prohibitory order, and were given permission to sell their coral at Surat or elsewhere for one year, provided they should bring no more of it. Some time after, when they insisted on selling coral in the Deccan, the Surat merchants prohibited the provision of calicoes to them. For a time they quietly complied with the wishes of the Indian traders, but they did not intend to give up such a profitable business without a struggle. The question at issue was quite clear to the prince and the people. We are informed that Prince Shah Jahan flew into a rage at the sight of the royal order granting the provisional permission referred to above, and tore it up stating, "nothing else but the profit and bread of his people could content us."¹ No more significant testimony is required to show the growing control by the Europeans of the carrying and external trades of the country.

The English were not willing to submit to the restrictions imposed on the importation of coral. They proceeded to seize and plunder Indian ships. Dabul, Gogha, Diu and Surat vessels easily fell a prey. These high-handed adventures were followed by an ultimatum to the Governor of Surat for paying up more than 200,000 mamudies for the various wrongs they had suffered. The English piracies created consternation among the merchants of the various ports; the Dutch, too, refused to give any assistance against the English; the Governor had therefore to succumb to their demands. The dispute was accommodated by the payment of a very large sum, the purchase of the whole stock of coral in the hands of the English, and by a compact for a complete liberty of trade in future.

This was the beginning and the end of all troubles from the Surat merchants. The days of their free and independent trade with the African and Asiatic countries had almost passed away by the presence and extensive dealings of the two European nations in the Indian waters, and they succumbed to the inevit-

¹ Eng. Fact., Vol. 1618-21, p. 325; Vol. 1622, pp 1, 31, 54, 130, 137, 151, 176, 320.

able. It was not merely the question of the provision of coral that had been settled, but the right of free trade with Persia and other countries had been secured and the privilege of importing foreign goods into India on the same basis as the nationals of Asiatic countries had been enjoying till then was obtained. The latter meant the transference of one branch after another of the Oriental trade into the hands of the Europeans on account of their superiority at sea.

The English share in this coral trade went on increasing,¹ until a brief stop was put to it by the wars in the Deccan. However, it recovered in 1633, when three kinds of coral were sold at Rs.8½, Rs.9½ and Rs.4 per seer at Surat, their prices in England being 12s., 14s. 7d., 15s. and 7s. per lb. respectively. This dealing gave a profit of about 80 per cent. Gains were naturally variable; three years before they could make only 37 per cent on Italian coral. A growing market was also found at Masulipatam and Golcondah, where 20 or 30 chests costing in England 14½s. per lb. and selling at Masulipatam at 100 pagodas the maund of 26 lbs. were advised in 1636. In the same year great prospects of its sale in China were pointed out by Bornford, who undertook a voyage to Macao "to gain an entrance into the China trade." The growth in this branch is evident from the remark of the President of the Surat Factory in 1639 that, next to broadcloth, coral was "the most staple and vendible commodity that Europe produced." The price was reported to be Rs.10½ per seer of 18 pice, a "price not of late years heard of." During the next few years we hear of sales of coral at Raybag, Bijapore, Arnagaon, Bhaktal, Cochin, Agra, in Bengal, and on all the Malabar coast from Goa to Cape Comorin. The English had the whole trade to themselves on account of the war between the Dutch and Portuguese. In 1614 the price was 115 pagodas per maund against 100 in 1636 at Masulipatam, and 4000 lbs. yearly were demanded for that market. However, the tide

¹ Eng. Fact., Vol. 1634-39, pp. 201, 208, 226, 228; Vol. 1642-45, p. 86. Cf. the Dutch testimony of the flourishing and growing trade in coral in the hands of the English. It said that they had sold 46,700 Eng. lbs. at 16/8.

began to turn at the prospect of a peace between the two nations. The Company were informed that "but now the Portugales have peace and open trade, we may not expect the like opportunity, since they will undoubtedly abundantly supply those markets in the future." After that year complaints began to pour in as to coral remaining a dead commodity, so that in 1650 the Company were advised to stop further supplies and most of the coral was got rid of at a considerable loss. Yet it appears that the English continued to hold the market on the Coromandel, while the Dutch and Portuguese recovered their lost position on the Malabar coast.

As to *ivory*¹ it has been seen that large amounts of it were annually imported into India by the Portuguese and many Asiatic merchants who traded with the various countries of Africa. When the English began to take the place of both sets of importers, they turned their attention to this article also. The first sale of ivory by an Englishman consisted of two elephants' teeth captured from an Indian junk. Two years later, in 1611, an English ship brought to Surat tusks, broadcloth, kerseys, says, tin and red lead. The tusks were sold at 62½ to 64 mamudies per maund in 1613. Next year their commodities of quicksilver, lead, vermilion and teeth gave them such "reasonable profit, beyond their computation" that greater quantities were advised from home. It is strange that the English could make large profits on ivory brought from England; the African supply must have given tremendous gains to the importers. The wars in the Indian waters dislocated the Persian and African trade, and thus reduced the necessary supplies of ivory. In 1622 the price obtained at Nawpee, near Burhanpur, was Rs.32 per maund of 43 seers, but Rs.45 per Akbari maund at Agra. Ivory ceased to be brought into India by the English from 1630 to 1648. The prices were very uncertain, because they depended upon irregular supplies from Mozambique and Malinda. A Surat letter of 1646 states that "elephants' teeth are constantly in these parts a staple

¹ Eng. Fact., Vol. 1643-45, p. 230; Vol. 1646-50, pp. 290, 291; Vol. 1651-54, p. 57.

commodity. The sorts formerly sent from England are now fetching Rs.30 per maund of 40 seers, which is about 2s. per lb.; and in England they will cost 10s. or 11s. per cwt."¹ The usual price at Ahmadabad was reported Rs.32-34 only. The above prices hardly left any profit, so the imports of ivory were always very small during this period.

¹ Eng. Fact., Vol. 1622-23, pp. 8, 108; Vol. 1646-50, p. 8.

CHAPTER V

THE ANGLO-INDIAN TRADE

(1658-1707)

Nature of the Data. The first period of infatuey, dependence and disappointment is succeeded by one of unbounded energy in all directions of the Company's business. The brilliant success of that body excited the envy of the mercantile classes in England and attracted many adventurous spirits to the East as "interlopers" or "pirates." In India, too, the Company's business was much depressed by cumbersome restrictions, heavy transit duties and other undue levies. It will be seen how the Company struggled hard against both sets of difficulties and how it came out successful in both. Notwithstanding those long struggles fought out in India as well as at home, the Company did mightily succeed in firmly building up the English trade with the East.

The data for the earlier part of this second period are not available in any published record, hence the returns for the export trade have been compiled from the Manuscript Letter Books of the Court in the India Office. The Court Books and Marine Records, too, occasionally afford very valuable material. The annual values of bullion and merchandise compiled for the years 1667-73 differ from the account presented to Parliament by the Company. The discrepancy is probably due to the inclusion or exclusion of a ship or ships in a different year from the one taken by the latter. The ships mentioned in an April letter, 1660-61, might sail in May; in such a case they should actually be included in the returns for the year 1661-62, but in my account which is identical with the one preserved in the Court Book 25*a*, they have been

accounted for in the year 1660-61. I have followed the letter, throughout up to 1681-82, the last year for which regular returns of the cargoes of East-bound ships are given in those Records. The Minutes of the Court also do not afford any regular material for the following years, hence separate returns for money and merchandise cannot be made out for the period¹ succeeding the year 1681-2.

Development of Export Trade

It has been remarked that when the Company resumed their trade on the confirmation of their exclusive charter, in 1657, they showed an unprecedented activity. During six and one-third years, from January, 1658, to April, 1664, they sent out eighty-four ships to the East on which were exported in

| | | |
|------------------------------------|----------|---------------|
| Bullion | £733,745 | } = £991,770. |
| Produce and manufactures | £258,022 | |

Their business was, however, very much curtailed on account of the outbreak of war with the Dutch. In the next three years the Company's trade consequently remained in a low state. Only nine ships could be despatched with small amounts of money and merchandise. The annual average for this period of three years was £14,000 for *money* against £117,400 and £18,000 for *goods* against £41,000 of the previous six years. Taking the fat and lean years together, the average annual investment during the nine years was

| | | |
|-------------------|----------|--------------------------------|
| £56,000 | in money | } = £121,000 in total exports. |
| £35,000 | in goods | |

After the cessation of hostilities, great enthusiasm was shown in increasing the volume of trade. In the next seven years ninety-nine ships sailed to the East with £1,165,311 in treasure and about £600,000 in goods and merchandise of the growth and manufacture of England. It implied an average of £166,473 per annum for bullion, which sum is 193 per cent of the average of the previous nine years. The annual average of exports in merchandise was doubled as compared to the preceding period of nine years. *This annual exportation of*

¹ See Appendices A and B on pp. 296-7 *infra*.

about £253,000 stands in marked contrast to the past career of the Company, when the sum total of the Company's exports to India rarely amounted to £100,000 in any one year previous to 1657 and in some years did not amount to even £25,000.

Comparing the septennial returns of 1667-74 with those of 1617-24, which years were marked by a great expansion of the Company's trade, it will be observed that the amount of trade as represented by exports had developed to about $2\frac{1}{2}$ -fold at the end of sixty years, while the annual average for goods alone in the two septennial periods stood at £30,000 and £85,500 respectively. It meant that the Company had succeeded in creating an increasing demand in the East for British woollens and other goods. Although it had to fight against odds at home and abroad for its very existence, it not only kept open the Eastern market for England, but, with all the might, wealth and grandeur of the Dutch, was also successful in supplying greater quantities of Indian products to the countries of the Continent. Sir Josiah Child in his spirited defence of the East India Company justly maintains and demonstrates that "the East India Trade is a most (if not the most) profitable and beneficial trade to the Kingdom." "It is a trade," says he, "that takes off a considerable quantity of our Native Commodities for our consumption, at the cheapest rates.

That brings us some commodities for further Manufacture.

That furnishes us with large quantities of goods for foreign markets.

That gives employment to, and so maintains, great numbers of *English Shipping*.

That occasions the building of more ships of burden and force, fit for warlike service, and defence of the Kingdom, than any other trade.

That brings a considerable Revenue to His Majesty's Exchequer by Customs, and the greatest addition to the Kingdom's Stock."¹

¹ The E.I. Trade, p. 6, published 1677; I.O. Tracts, 485.

Such were the undeniable advantages of the India trade, which on a moderate computation was adding directly to the stock of the Kingdom £500,000 in one year.¹ We have seen how merchant—other than the shareholders of the Company—were keen in securing a share in that profitable trade, how the Company, too, were bent upon preserving to themselves the exclusive right of their Charter, and what a severe struggle ensued on the pressing problem.

Notwithstanding the bitter controversy restarted in the 'eighties on the necessity or otherwise of carrying on the Oriental trade by means of an exclusive Joint-Stock Company, the hue and cry raised by the Company's opponents against the importation of calicoes, silks and even raw silk to the detriment of British manufactures, and the ever-increasing share of free merchants and factors in that trade, the last quarter of the century is marked by a distinct advance in the Eastern trade. The prosperous condition of the Company is evidenced by the very high prices of the India Stock, which were 215 in 1677, 300 in 1683 and 560 to 500 in 1685.

For the eight years from 1674-75 to 1681-82 the exports to India were valued at £3,822,000, or on the average at £477,710 per annum. This means an advance of about £226,000 per annum, or of 89 per cent compared with the seven

¹ The calculation of Sir Josiah Child can be represented in a tabular form thus:—

| | |
|--|-----------|
| | £ |
| Indian imports into England—value | 860,000 |
| Expenses on factors, ports and other items deducted | 60,000 |
| | <hr/> |
| Net Imports by the Co. | 800,000 |
| All goods imported in private trade by officers, seamen and factors, consisting of diamonds, pearls, musk, ambergris and such-like commodities | £ 250,000 |
| | <hr/> |
| Total Imports | 1,050,000 |
| Exports to the Indies by the Company | 430,000 |
| Exports to the Indies in private trade | 120,000 |
| | <hr/> |
| | 550,000 |

Hence the conclusion that there was an addition to the national wealth of £500,000 by one year's trade to India.

The E.I. Trade, pp. 7-8.

years immediately preceding 1674-75, and amounts to nine times the average for the first quarter of the seventeenth century.

The net result of our survey for the last twenty-four years, from 1658 to 1681, is represented in a tabular form below :—

Company's Exports to the East (Thousand £).

| Periods. | Goods. | Money. | Total value. |
|-------------------|--------|--------|--------------|
| 1658-66 inclusive | 312 | 776 | 1089 |
| 1667-73 | 604 | 1165 | 1770 |
| 1674-81 | 728 | 3093 | 3821 |
| Aggregate | 1644 | 5034 | 6680 |

In other words, *the exports in money and merchandise during this period amounted on an average to £278,000 per annum in round numbers.* Although the treasure was proportionally as large as formerly, being in the proportion of three to one in merchandise, there is little doubt that a far greater demand had been created for English goods in the East.

So far as the course of the export trade in the following years is concerned, it is necessary to recall the fact that neither the Letter Books nor the Court Minutes afford us regular data for the cargoes of the outgoing ships as they do for the twenty-four years which have been previously dealt with. Occasional returns are available, but they are useless in constructing a consecutive history of the Company's commerce. However, we are not altogether deprived of them.

Expansion of Exports

From the year 1680 regular statistics of British exports into the Indies have been preserved from the general wreck¹ by Moreau and Macgregor. Separate particulars of the exports of bullion and merchandise are, however, not available up to 1708, nor have any particulars been preserved regarding the private trade with those parts. The defective character of these returns has been discussed at large in the Appendix,²

¹ See Appendix B, p. 297.

² Register of ships in Part II, p. 333.

and yet they have to be accepted for the years 1682 to 1697 inclusive by reason of the absence of anything better. Moreau's statistics for the subsequent ten years have been corrected in the light of the figures compiled in the Appendix from records of the Old and New Companies. A third set of returns has also been compiled from the Custom House Books for these years, those for the earlier period not being available.

On the basis of the returns compiled in the shipping list from 1678 to 1681-82 and 1698 to 1707 inclusive and that of Macgregor's for the years 1682-97, the values of the export¹ trade (through the channel of the Chartered Companies) with the East are stated below in decennial periods:—

| Years. | Decennial Totals (Thousand £). |
|----------------------|-----------------------------------|
| 1678-87 | 1295 |
| 1688-97 | 3028 |
| 1678-87 | 4904 |
| 1688-97 | 2408 |
| 1698-07 ² | 5856 |

17,561 Total for fifty years

These figures bear a distinct testimony to the expanding activities of the Company. While the amounts of specie and merchandise in the first decade stood at £1,295,000, they rose to 2½-fold in the next and to 4-fold during the third decade, giving an average of little less than £500,000 per annum within a comparatively small period of twenty years. The Company had, no doubt, succeeded in building up a very extensive trade with the East. The abnormal growth of the third decade is also to be accounted for by the fact that the Company had in those years launched a bold scheme of making conquests in Banda, Bengal and Chittagong. Conse-

¹ See pp. 296-7, 344-51 for the data.

² This sum is made up of the following amounts:—

| | |
|------------------|--|
| £ | |
| 3,959,721 | Old Company's exports. |
| 1,475,707 | New Company's in 1698-99—1701-2. |
| 176,352 | Less in Macgregor's in 1702-3—1707-8. |
| 243,915 | Less in Macgregor's in 1698-99—1700-1. |
| <u>5,855,725</u> | Actual total for 1698-1707. |

quently more ships, specie and warlike stores were despatched during those years. A depression was but the inevitable reflex, the inexorable result of the abortive militarist adventures of the Company, and it was accentuated by the long European War on the one side and the vigorous attacks of the public and Parliament on the exclusive privileges of the Company on the other.¹ In that period of acute distress and financial bankruptcy the exports of the Company shrank down to half of the previous decade.

On the contrary, the last decade is characterised by an extraordinary expansion of Indo-British trade. For the first years when the Old and New Companies tried to worm each other out of trade their investments were very large, but the profits were comparatively small. The exports speedily went down in 1703 after their amalgamation, yet the general average remained high in spite of the European War. Separate returns for money and goods are not available in the records of both the Companies for thirteen years, but so far as the total amount of exports is concerned it averaged at £585,500 pounds per annum. What a remarkable progress is indicated by these figures, when we remember that *the English exports to the East for fifty-seven years since the establishment of that trade to 1657 were approximately equal to the amounts remitted in the ten years from 1698 to 1707 ! Yet this is not the true story.*

Full details for the export trade of this last period of ten years are fortunately available in the Books of the Custom House. From the annual accounts of exported specie and

¹ Pamphlets against the E.I. Co. :—

Reflections upon the East India and Royal African Companies, by Roger Coke, London, 1696.

A treatise Concerning the Regulation, etc., by Roger Coke, London, 1696.

A discourse concerning the East India Trade, by John Cary, written in 1695.

Reasons for constituting a New East India Co. in London, anonymous and dateless, seems to be written between 1695 and 1700.

A Letter to a friend concerning the East India Trade, anonymous, London, 1696.

Proposals for Settling the East India Trade, anonymous, London, 1696.

goods compiled from these books in the note below,¹ it will be seen that goods of the value of more than £600,000 per annum had been sent to the East during these years, while the exports of specie came up very nearly to £500,000 per annum, and the total amount of gold and silver for the nine years was £4,475,000 against £5,437,000 in goods, giving us an average of £1,101,000 per year.

Thus the balance of trade was mightily upset in these years. While the amount of bullion exported in the twenty-four years from 1658 to 1681 was thrice that of goods, the same fell to 82 per cent during the last decade. Never before was so large a proportion of merchandise exported out of England to the East.

It has previously been seen that the total exports of the two Companies as given in their records amounted to 5·8 million pounds. The Custom House, however, registered about £11,000,000. It is evident that this excess of exports was handled by private merchants. *It means that private trade had assumed such large proportions as to approximately equal the trade of the Company.* It will have been perfectly clear that to arrive at the real extent of the total English export trade with the East during these fifty years we should also reckon the large but unknown quantities of gold, silver, coral, amber and other merchandise exported by the mariners and officers of each ship, the "free" merchants, the clandestine traders and the "separate" traders. According to

¹ *Official Exports from 1698 to 1710.*

| Years. | Specie. | Goods. |
|--------|---------------|---------|
| 1698 | 399,230 | 451,106 |
| 1699 | 832,795 | 997,416 |
| 1700 | 807,583 | 932,275 |
| 1701 | 725,593 | 817,657 |
| 1702 | 410,762 | 498,247 |
| 1703 | 451,277 | 586,254 |
| 1704 | 303,042 | 496,439 |
| 1705 | Not available | |
| 1706 | 231,540 | 258,734 |
| 1707 | 313,283 | 369,258 |
| 1708 | 362,459 | 973,375 |
| 1709 | 506,169 | 674,826 |
| 1710 | 228,102 | 351,413 |

Sir J. Child, the proportion of private trade to the Company's trade about the year 1675 was 2 : 7, but its amount must have gone on increasing with the extending indulgence of the Company in permissive trade and the growing number of ships sent out. It cannot really be accounted at less than one-half of the Company's trade from 1678 to 1697, while from 1658 to 1677 the average ratio between the two trades can be taken to be as 1 : 4. That during the last decade it equalled the Company's trade has already been shown. On these assumptions the aggregate value of the whole English export trade with the East can be approximately represented by the following sums :—

British Exports to the East.

| Years. | Value of Exports (in Thousands). £ | Remarks. |
|-------------------------|---|---|
| 1658-1681 . . | 6680 | Co.'s. |
| | 1670 | Private, assumed as $\frac{1}{4}$ of the Co. s. |
| 1682-1697 . . | 5032 | Co.'s. |
| | 2516 | Private, assumed as $\frac{1}{2}$ of the Co 's. |
| 1698-1707 . . | 9912 | Both Co.'s and Private. |
| Total for fifty years . | 25,810 | |

An analysis of the foregoing figures shows that, in spite of the violent fluctuations in the exports of money and goods sent to the East, the yearly average amounts to more than £500,000 sterling for the half-century from 1658 to 1707. It stands in sharp and pleasant contrast to the preceding fifty-seven years of the infancy of the Anglo-Oriental trade when the annual average touched the maximum amount of £100,000.

During the second half of the century, too, the first decade could not claim more than £150,000 in any case per year in the exports to the East, but in the last decennium the trade attained a height that startles the most optimistic student. The exports actually increased to £1,100,000 per annum. This rapid rise in the face of the inexorable Dutch competition could not but be a matter of unalloyed satisfaction to the English nation.

That it is a modest estimate and rather tends to an undervaluation of the English trade with the East cannot be doubted. The writer of "Some Considerations" maintained, without quoting his source of information, that within forty years from 1663 to 1703 the exports of coin and bullion to the East Indies had been £21,000,000 against £2,000,000 to Denmark and Sweden and £10,000,000 to France. These figures afford an eloquent testimony of the paramount importance of the Indo-English trade even in those days.

Repeated protests were heard from numerous writers on the ceaseless influx of Indian calicoes and silks and the consequent prevention of the consumption of English and European manufactures, the increasing unemployment and impoverishment of the people, the continual exhaustion of Europe and the generous enrichment of the people of India. Dr. D'Avenant computed the gold and silver brought into Europe during the sixteenth and seventeenth centuries to be £800,000,000, and reckoned that £150,000,000 of it had been carried away and sunk in the East. "From whence I have reason to conclude," writes he, "that the European nations had been richer by a full third than they are, if that trade had never been discovered and undertaken."

What sums out of the large amount of money and merchandise exported by the Company were directly absorbed by India, and what share was appropriated by other Asiatic countries, cannot be definitely stated. Our shipping list offers all the necessary information for the years 1658-81 and 1698-1707. No separate and consecutive returns for the intervening period are available on the volume and distribution of trade in the various centres of the Company's activities.

Distribution of Trade

From the study of the detailed annual statistics, which have been relegated to Appendix D of this chapter, it appears that the amount of shipping sent to Surat and Bantam is approximately equal, being eighty-four ships in all of 32,000 tons to

each place in the twenty-four years from 1658 to 1681. This gives an average of $3\frac{1}{2}$ ships of 1333 tons per annum to each of those two factories. On the other hand, the Coromandel coast and the Bay of Bengal together claimed 112 ships of the total burden of 43,000 tons, or $4\frac{2}{3}$ ships of 1766 tons burden per year. That is, 70 per cent of all the shipping sent out of England was in the first instance meant for India and only 30 per cent to all other places in Asia. The result of these twenty-four years' shipping statistics is summarised below :—

| Places. | Total tonnage. | Ships per year. | Per cent. |
|---------------|----------------|-----------------|------------------|
| Bantam . . . | 32,000 | $3\frac{1}{2}$ | 30 outside India |
| Surat . . . | 32,000 | $3\frac{1}{2}$ | 70 for India |
| Coast and Bay | 43,000 | $4\frac{2}{3}$ | |

An altogether different story is told by the returns of exports, since *by far the largest amount was invested in India. While it received 88 per cent of all the exports in money and goods, other Asiatic places claimed only 12 per cent.* Then Surat's share was 33 per cent of the whole, and the remaining 55 per cent were despatched to the Coast and Bay. But the disparity becomes more remarkable in the relative consumption of treasure and goods in each of the three centres :—

The Percentage Proportion of the Shares of each Centre in

| | Surat. | Coast and Bay. | Bantam. |
|---------------------|--------|----------------|---------|
| Total Exports . . . | 33 | 55 | 12% |
| Money | 24 | 64 | 12% |
| Goods | 63 | 25 | 12% |

That is, 64 per cent of all the treasure sent to the Indies was spent on the Coromandel coast and in Bengal, and only one-fourth of the English merchandisc could be disposed of in these two extensive portions of India. The position was almost reversed in the case of Surat. It took over 63 per cent of the goods and only 24 per cent of the specie sent out to the East. On the other hand, Bantam and all other places outside India could take no more than 12 per cent of each of the two items. (See Appendix E on p. 299.)

This unequal distribution becomes still more conspicuous if we find out the percentage proportions of the specie and goods despatched to each centre separately. It appears that the Coast and Bay received 89 per cent in money and the rest, 11 per cent, in goods; the two quantities in the case of Bantam were related to each other as 77 : 33; while in Surat, which consumed the largest proportion of goods, the ratio of treasure to merchandise was raised to 56 : 44. English woollens and metals found very little market in Bengal or on the Coromandel side, but they readily made their way into the Mogul Empire through Surat, the Gate of India. In one word, the ratio of specie to goods in each of those places was for—

| Surat. | Coast and Bay. | Bantam. |
|---------|----------------|---------|
| 56 : 44 | 89 : 11 | 77 : 33 |

No statistical information on the relative distribution of money and goods can be traced out for the succeeding years up to 1697. It is, however, certain that on account of the war with the Mogul and the expulsion of the English from Bantam, still greater amounts must have been spent in India up to 1690. According to a *shipping list*, in the nine years from 1682 to 1690, inclusive, only 18 per cent of the total tonnage despatched from England to the East was destined for places outside India, and the remaining 82 per cent was meant for India alone.

Ninety-one ships were actually sent to India with a burden of 39,870 tons in all, while some twenty-nine ships with a tonnage of about 8700 tons sailed to Priaman, Tonqueen, etc. Thus the proportions in the two periods stand as below :—

| Years. | Surat. | Coast and Bay. | Bantam. | |
|---------|--------|----------------|---------|-----------------------------|
| 1658-81 | 30 | 40 | 30 | } Percentage of shipping |
| 1682-90 | 39 | 43 | 18 | |

For the next six years the details of exports to Surat show that its share in English exports—both goods and money—during this short period had risen to 38 per cent of the whole export trade, though the percentage proportion of ships and

tonnage respectively had fallen down to 32 and 34½ per cent of all the shipping sent to the Indies in this period.

It will have been obvious now that in the whole period of forty years the Company's business was almost wholly centred in India. Up to the year 1681 only 12 per cent of all the English exports to the East were sent out of India. while in the succeeding sixteen years the share of other Asiatic countries, on the evidence of the shipping returns, could be assumed to have shrunk down to approximately half of the above-mentioned proportion. But a big surprise awaits us in the next decade. In the absence of definite statistics it could not be fully realised how the excessive duties imposed upon calicoes and muslins on the one hand, and the prohibition of Indian silks since 1698 on the other, enormously modified the channels of Indo-British commerce. The relative distribution of this trade suddenly changed its course. From 1698 to 1707, inclusive, 160 ships of the burden of 55,700 tons were sent out¹ to the East, but only 85 were directly destined for India, and the rest had gone to Priaman, Fort York, and China. The practice of annually sending four or five ships to China was begun in these years. When these ships returned from that country, one generally went to unload its Chinese wares in Bengal, the other to Fort St. George, the third to Surat, sometimes a fourth to Mocha, and the fifth to England. These three or four vessels afterwards sailed for England laden with Indian and Arabian commodities. *Thus it is evident that the actual proportion of tonnage for India had much more increased than has been shown above. Still, so far as the appropriation of English exports is concerned, the share of India had undoubtedly been very much reduced.*

The proportions of exports and tonnage to the East during this last decade are given side by side for comparison :—

| Places. | Per cent Exports. | Per cent Tonnage. |
|-------------------------|----------------------|----------------------|
| Surat | 20 | 24 |
| Coast and Bay | 52 | 36 |
| Outside India | 28 | 40 |

In other words, the share of countries other than India in

¹ See pp. 355-9 *infra*.

exports had risen from 6-12 per cent in the previous years to 28 per cent, and in tonnage from 18-30 to 40 per cent during this decade. There are, however, one or two factors to be taken into account in arriving at the actual proportions. As pointed out before, the Chinese trade had been developed to supply India as well as England with Chinese goods. Instead of sending money and English goods direct to India, three ships with money and a small quantity of merchandise were usually first sent to China to buy goods and gold for the Indian markets. After the disposal of these goods at Surat, Fort St. George, Calcutta, or Hugly, the proceeds were invested in Indian commodities fit for England. Similarly, a ship sometimes went out of England direct to Mocha, Persia, or Maldives, took a loading of the articles fit for Surat, disposed them at a profit there and carried back Indian commodities to England. Although the direct English exports to India were thus lessened, yet the moneys available for investments in India were much more than would be indicated by the annual returns of exports. For instance, we should add the money paid by the Company in England for the bills of exchange drawn upon it from the various centres in India for sums borrowed by its agents from Englishmen resident in the East. The moneys earned by employing ships on freight and for convoys of native shipping were not less considerable. Then to the profits made on exported goods and in Eastern commerce are to be added the customs of Gombroon, consulage, and other profits there. Consequently it is highly essential in presenting the true proportions and amounts of English exports appropriated by various centres that account should be taken of these hidden and indirect imports¹ and sources of the Company's income.

Character of English Exports. Having studied the course of the aggregate English exports to the East, we proceed to analyse *the character of merchandise sent out by the Company.*

¹ Letter Bk., X, p. 104. See the appendices to this chapter for the detailed returns of exports and shipping upon which the conclusions of this section are based.

The main articles of the produce and manufacture of England in this half a century, as in the previous one, were lead, iron, and woollens; while quicksilver, vermilion, coral, and elephants' teeth were first procured from Europe and Africa and then sent on to India for sale. As can be expected from the growing volume of trade, far greater quantities began to be sent out than had ever been despatched before 1657. For instance, adding up the various items of the detailed account of the cargoes of ships sent by the Company in the four years of 1653-56, we find that the total value of merchandise was only £7425, which was distributed as follows:—

Goods Exported from 1653 to 1656.

| | £ |
|---------------------|------|
| Broadcloth . . . | 1954 |
| Lead . . . | 1722 |
| Vermilion . . . | 593 |
| Quicksilver . . . | 2211 |
| Miscellaneous . . . | 945 |

This was a period of unparalleled slump in the Company's business, and hence the foregoing value does not represent the normal course of trade, yet it is most interesting for showing the relative importance of the different goods.¹

Thus the annual value of exported merchandise in the four years of an acute depression in the Company's trade was merely £1856. Out of this one-fourth was invested in cloth. Things, however, changed very rapidly after 1657. In the next five years £258,000 worth of merchandise, or 26 per cent of the total exports, was despatched to the East. Then the

¹ Letter Bk., I.

Here it is well to recall a few salient facts regarding the amount of merchandise exported in the earlier period:—

1625. Total money and goods proposed were £80,000; 25 stämmelles, 100 perpetuanos, 180 tons lead were proposed to be sent. Court Bk. 7, p. 146.

1633. Total more than £80,000; woollens and cloth, £6759 out of the total goods worth £18,987. Eng. Fact., Vol 1630-33, p. 286.

1640. 320 cloths to Surat and Bantam. Court Bk., 17, p. 134.

1648. 200 cloths, 400 pigs of lead, 7 tons of teeth and 80 chests of quicksilver sent out. Court Bk., 22, pp. 29, 59, 72.

1650. 200 cloths, 20 chests of coral, £3000 worth vermilion and teeth were sent out.

following quinquennium, though characterised by another depression on account of the Anglo-Dutch War, shows the progressive tendency visible in the preceding period. For the five years of 1661-68 full details of exported goods with the prices at which they were bought by the Company are preserved in the *Home Miscellaneous*, Vol. 15, of the India Office.¹ They differ here and there from the returns recorded in the *Letter Books*, and hence there are discrepancies in the total values of goods shown in the following table and those stated in the chart of annual exports which appears as an appendix to this chapter.²

Value of the Articles Exported in the Years 1664-68.

| Articles. | 1661-65 | 1665-66 | 1666-67 | 1667-68 | 1668-69 | Total. |
|-----------------|---------|---------|---------|---------|---------|---------|
| | £ | £ | £ | £ | £ | £ |
| Woollens . . . | 10,008 | 15,731 | 843 | 23,016 | 18,636 | 68,267 |
| Lead . . . | 3,243 | 848 | 298 | 7,246 | 6,234 | 17,869 |
| Tin . . . | — | — | — | 4,280 | 5,831 | 10,114 |
| Copper . . . | 2,598 | — | — | 6,625 | 11,787 | 21,010 |
| Coral . . . | 1,121 | 477 | 1,012 | — | 13,056 | 16,666 |
| Quicksilver . . | 5,904 | 2,177 | 731 | 12,478 | 8,237 | 29,527 |
| Vermilion . . . | 3,132 | 367 | — | 2,095 | 1,462 | 7,056 |
| Miscellaneous . | 1,781 | 1,016 | 280 | 8,353 | 2,553 | 13,983 |
| Total . . . | 27,787 | 20,619 | 3,164 | 61,123 | 68,699 | 181,392 |

On these figures it is obvious that in these five years goods worth 181½ thousand pounds were exported to the Indies, out of which woollens and other cloth were worth above £68,000; metals and vermilion £85,600, coral £16,500, and the various articles like sword-blades, knives, medicines, musk, alum, brimstone, mirrors, glassware, paper, shots, provisions, etc., cost about £11,000 in all. In other words, the ratio of goods to total exports had risen from 26 per cent of the last quinquennial period to 39 per cent; while 37 per cent of the goods were in cloth, 46½ per cent in metals, and the rest covered all other commodities. In the succeeding years not only did the exports swell to large proportions, but relatively far greater quantities of cloth were sent to India. The

¹ Pp. 1-115.

² Appendix A on p. 206.

following are the details of the shipment of cloth and other goods from 1676 to 1685 :—

| | | £ |
|-------------------------------|---------|----------------------|
| Broadcloth and other woollens | 1676 | 48,684 |
| " " " | 1677 | 52,445 |
| " " " | 1678 | 24,764 |
| " " " | 1679 | 32,913 |
| " " " | 1680 | 51,666 |
| | | <hr/> |
| Total cloth and woollens . . | 1676-80 | 210,472 |
| Other goods, stores, etc. . . | 1676-80 | 194,646 |
| | | <hr/> |
| Total | | 405,118 |
| | | <hr/> |
| Cloth and woollens | 1681 | 94,855 |
| " " | 1682 | 42,630 |
| " " | 1683 | 24,448 |
| " " | 1684 | 47,827 |
| " " | 1685 | 48,414 |
| | | <hr/> |
| Total cloth and woollens . . | 1681-85 | 258,174 |
| Other goods, stores, etc. . . | 1681-85 | 187,440 |
| | | <hr/> |
| Total | | 445,614 ¹ |

It should be remembered that various methods were adopted by the Company in this period to enlarge the export of woollens and other English goods. For instance, the factors in India were ordered to oblige the merchants connected with the Company to take these goods in payment for half the merchandise supplied by them to the Company; serious efforts were made to procure pepper in exchange for English goods in the Malabar factories; and orders were also sent to dispose the goods at their cost price in India and China, so that the necessity of exporting money be minimised to the lowest extent. It was by these means that the proportion of woollens to other goods had soared to 52 per cent in the quinquennium of 1676-80 and 58 per cent in the following five years against 37 per cent in the quinquennium of 1664-68.

¹ In the Journals of the House of Commons, XI, pp. 99 and 110, there is a mention of the "Account of E.I. Goods Imported between 1675 and 1685," and of another "Account of the E.I. Goods Exported to the E. Indies for ten years ending 1685." The latter has been preserved in the State Papers, Domestic, James II, v, 104, and has been here reproduced from Scott's Joint-Stock Companies, II, p. 137.

Not only did the proportion become so high, but the annual value showed a considerable increase in the following manner :

Average Annual Value of Woollens Exported to India.

| | £ |
|-------------------------|--------|
| 1661-65 inclusive . . . | 13,600 |
| 1676-80 " . . . | 42,094 |
| 1681-85 " . . . | 51,635 |

As the succeeding years are known to have been marked by a great trade depression produced by the long European War, the quantities of exported goods could not be so large as in the ten years just reviewed. Yet to satisfy the popular demand the Company were obliged by their charter of 1693 to annually export English goods to the value of £100,000.¹ The incorporation of such a clause in the charter is in itself a strong proof of the growing volume of the English exports to the East. The House of Commons was informed by the Company that in 1691 and 1692, cloth and other goods of the value of £100,000 were sent to the East,² while for the following three years the value was mentioned as £306,265.³ The export of woollens *as such* to have suffered a set-back. It appears from an account of woollen cloth sent to India from December, 1681, to December, 1699, that in these fifteen years cloths of the estimated value of £431,861 in all were sent by the Company as under :—

| | | |
|---------------------------------------|----------------------------|--|
| Longcloth | 49,482 pieces ⁴ | |
| Short cloth | 385 " | |
| Spanish cloth | 562 " | |
| Cloth-sashes, kerchiefs, etc. | 2,991 " | |
| Total | 41,420 pieces | 15,417 lbs. weight of the computed value of £431,861. |

This account can be supplemented by the official values of the principal commodities as recorded in the Books of the

¹ Court Bk., 37, pp. 37, 42.

² Court Bk., 36, p. 106.

³ Court Bk., 36, p. 106.

⁴ *England's Almanack, 1700.* British Mus., 816, M. 11-K. Cf. Home Misc., Vol. 40, p. 122.

Custom House and compiled for the first time in the Appendix.¹ The aggregate values of various items with their percentage proportion to the sum total of all exports are given below to show the remarkable progress made in this period :—

Official Values of Exports from 1698–1710.

| Articles. | Total Value. | Percentage of the whole. |
|------------------------|------------------|--------------------------|
| Woollens | £1,077,668 | 57½ |
| Iron, English | 46,293 | 4 |
| Iron, Foreign | 27,387 | |
| Lead | 78,580 | 4½ |
| Coral, Foreign | 20,706 | 1 |
| Miscellaneous | 616,051 | 33 |
| | <hr/> £1,866,685 | |

As the official values were in almost all cases, especially during war-time, below the market prices, the preceding sums fall far short of the actual value of the goods sent to the East. Hence the real progress was still more rapid than is revealed by these figures.

It is clear that the annual average for woollens had gone up to £89,806 as compared to £46,864 in the decennium of 1676–85. A comparison of the two most brisk periods of the fifty years from 1660 to 1710 shows that a remarkable change had been wrought in the relative and positive values of woollens and other goods. The situation in the two periods will be realised at a glance from the following table :—

| | 1676–85. | 1698–1710. | Per cent Increase of II over I. |
|----------------------------------|----------|------------|------------------------------------|
| Annual value of goods | £85,073 | £155,557 | 83 |
| " " woollens | £46,864 | £89,806 | 91½ |
| Ratio of woollens to goods . . . | 55 : 100 | 58 : 100 | |

On the evidence adduced in the previous section it is evident that about one-eighth part of these exports could be disposed of outside India, and the rest, 88 per cent, was consumed in India alone !

¹ Appendix C on p. 298.

CHAPTER VI

THE VOLUME AND CHARACTER OF IMPORTS

THE whole period of fifty years from 1658 to 1707 is more or less blank with regard to the regular returns of the values of imports. The names of the ships which arrived from the East laden with Indian and Chinese goods can be found out from the manuscript Letters and Minutes of the Court or the Home Miscellaneous Series at the India Office, but neither the cost, nor real values, nor even the estimated values of their cargoes are available except for a few years only.¹ Hence the regular course of trade cannot be presented here. There are, however, available annual sale lists of the imported goods with the prices at which they were put up for sale by the Company, and also the annual orders of the Court sent to their factors in the East for providing goods for home. These two sources have been utilised for showing the growth of the Eastern trade with England.

This half a century is characterised by rapid progress in Oriental imports. Their value² in 1662-63 was £384,671 and rose to £132,869 in 1668-69, but very considerable progress was made in the following years. In the Whitehall Report (A.D. 1697) upon the Foreign Trade of England we are informed that from the year 1670 to 1688 the importations amounted upon the sale in England to about *one million pounds sterling per annum, of which about one-half was usually*

¹ Loadings of the ships which arrived in London in the years 1674 and 1675 are given in the Home Miscellaneous, Vol. 15, pp. 1-40. A list of ships carrying calicoes is given on pp. 598-800 for the ten years from 1711 to 1720 in the Home Miscellaneous, Vol. 49.

² British Museum Manuscript, Sloane, 2,902, p. 108.

re-exported. Later figures of the Company's annual sales are not available. In fact, when the Commissioners had no statistics before them up to the year of their report (1697), it is almost impossible to restore them now. We can, however, confidently assert that an unprecedented advance was made in the import trade during the period of the co-existence of the two Companies. It must have been commensurate with the extraordinary inflation of monetary exports from England. The amount of the Old Company's business was necessarily reduced from what it was before on account of the tooth-and-claw competition and the active crusade begun by privateers and the New Company against the former, but the *aggregate* business had undoubtedly swelled to large proportions.

The official values of goods directly imported from the East into England, based on their assumed and declared prime costs in places of origin, afford an adequate idea of the special boom brought about by the financial activities of the two rival Companies.¹ These prices can be taken as roughly approximating their invoices. *The average annual value of goods* as registered in the Books of the Custom House from 1698 to 1707 amounted to £580,640, while in the three years of boom (1699-1701) the average was as high as £755,871. Assuming the sale values to be only twice the prime cost of goods, which is undoubtedly an under-estimation, we find that in this decade the old level of £1,000,000 sterling realised at the Company's sales was far outstripped. In some years the total value of sales might have risen even to about £2,000,000.

The Company's trade had enabled England to become the great entrepôt and supplier of the E.I. goods to Europe and America. From 1670 to 1688—the year of the outbreak of a

¹ *Official Value of Imports in Sterling.*

| | | | |
|---------|----------|---------|---------------------------|
| 1698 .. | £356,509 | 1703 .. | £596,309 |
| 1699 .. | 717,695 | 1704 .. | 757,814 |
| 1700 .. | 787,731 | 1705 | Missing in Customs Books. |
| 1701 .. | 762,188 | 1706 .. | 644,652 |
| 1702 .. | 247,014 | 1707 .. | 355,838 |
| | | Total | <u>£5,225,750</u> |

European war—the re-exports of the E.I. goods amounted on the average to £500,000 per annum, the basis for this calculation being the purchase prices at the sales of the Company. Pepper, indigo, silks, calicoes, and drugs were the chief commodities in constant demand throughout the Western world. The English naturally made very considerable profits by the supply of these goods. An idea of the financial benefit accruing from this trade at the end of the seventeenth century is furnished by Sir William Petty, who stated that the exports of Indian goods were valued at £600,000 and *their returns were nearly equal to twice the prime cost of the whole year's trade*.¹ There might be a tinge of exaggeration in this statement, yet the great advantages of this trade cannot be denied. It surely more than supplied all the silver and gold exported by the Company and other traders to the East.

It is stated in "the Generall Estimate of the Trade of England in 1697" that "the exports of the E.I. goods formerly amounted to about £150,000 communibus annis, but during the last three years have risen to £150,000, and that "the pepper trade is in a manner quite lost—whereof *there was usually exported againe 1000 Tunn per annum worth about £100,000, tho' not costing in India one-tenth of that summe—the advance wholly gained to the Nation.*"

In the next four years of brisk trade *the value of re-exports is quadrupled, having risen from £150,000 to £631,733 per annum!* By an account laid before the House of Commons on 13th January, 1703, it appears that the E.I. goods of all kinds, exported for four years, ending at Christmas, 1702, according to the value put upon them by the authorities of the Custom House, amounted to £2,538,933. Out of this there were exported:—

| | |
|--|-------------------|
| Manufactures mixed with silk, cotton, and herbs, to the value of | £187,896 |
| Wrought silks to Ireland and the plantations | 48,314 |
| Calicoes exported in the same time | 1,053,725 |
| Total of silks and calicoes alone² | £1,589,935 |

¹ Political Arithmetic, p. 84.

² Remarks on the Accounts relating to the E.I. Trade. Cf. *Homo Misc.*, Vol. 11, for sales in 1704.

Thus, during this period, 63 per cent of the E.I. goods exported out of England consisted of the silks and calicoes of the manufacture of India and China. This large amount of exported merchandise with the profits made upon it in the foreign countries must have brought back £1,000,000 per annum into the country. Thus the enormous gain to the nation by the E.I. trade is self-evident.

The Progress of the Import¹ Trade in Cotton and Silk Goods. The main part of the Company's business consisted in providing piece-goods and silk stuffs for the English and European markets. Rapid progress was made in this branch of trade, and the cloth investments were particularly increased on the Coromandel and Bay sides. The complete returns of the ordered cotton and silk goods, so far as they are available in the Letter Books for the three centres of Surat, Fort St. George, and Hugly, have been compiled in Appendix A. Nothing more is desired by presenting these figures than to materialise our vague ideas and indefinite expressions regarding the vast importations of Indian calicoes, muslins, and silks. It will serve no useful purpose to separate the returns for these three classes of goods. The orders for all kinds of cloth have been added up to give a view of the cloth trade as a whole.

It will be seen that the *annual average* number of various cloths ordered from each centre during the seven years of 1658-64 was as under :—

| | |
|---------------|----------------------|
| Surat | 84½ thousand pieces. |
| Fort | 98 " " |
| Hugly | 15 " " |

In other words, one hundred and ninety-seven thousand pieces were, on the average, ordered per year from the whole of India during this septennial period.

After a temporary decline during the Anglo-Dutch War, this cloth trade was very vigorously pursued. For instance, the annual average for Surat rose from 84,500 pieces of the seven-

¹ A detailed view of trade about the year 1700 from all the centres in the East is furnished by invoices given in Appendix D, pp. 304-5.

years' period, presently reviewed, to 247,000 pieces during 1669-72. That is, the quantity of cloth to be imported from Surat was just trebled in these four years.

In 1672 several artificers such as throwsters, weavers, and dyers were sent over by the Company with great quantities of English patterns, to teach Indian weavers new methods of manufacturing goods suitable to English and European markets. This gave a great encouragement to the vending of Indian cloths. Wrought silks, Bengals, painted and dyed calicoes were used in the place of "English silks, half-silks, worsted stuffs, say's, perpetuanos, and other sorts, not only for the clothing of both sexes, but for curtains for rooms, beds, etc." They ousted from England German linens, Silesia cambrics and lawns which were before imported mainly in exchange for English woollens. They became the general wear of all classes of society.

The importations of cloth must have been beyond all previous records, because the ordered goods suddenly jumped up to such vast quantities as are shown in the following table:—

| Years. | Fort. | Bay. | Surat. | Total No. of Pieces in thousands. |
|-------------------------------|-------|------|--------|---|
| 1673 to 1678 inclusive . . . | 1479 | 549½ | 1675 | 3903½ |
| 1680 to 1683 inclusive . . . | 3795 | 1821 | 2948 | 8564 |
| Annual av. for the 1st period | 246½ | 91½ | 312½ | 650½ |
| Annual av. for the 2nd period | 948½ | 455½ | 737 | 2141 |

Thus the total number of cloth pieces ordered in the six years from 1673 to 1678 was about 3,903,000, or 650,500 pieces per year from the whole of India, but this amount immediately dwindles into insignificance before the phenomenal rise in the four years of 1680-83. *No less than 8½ million pieces were ordered from India, that is, the average had exceeded two million pieces per annum!*

While Surat¹ topped the list in providing the greatest number of pieces among the three centres of English invest-

¹ The towns which served as centres for supplying cloth to the Surat factory in this period were Surat, Nunsarce, Broach, Brodera, Nariad, Dahoy, Dolla, Darboh, Dorugam, Ahmadabad, Agra, Dungarrapure, Brahmipore, Serrang, Cambaya. F. Rec., Surat, V, pp. 21-25.

ments, the continued depredations of the Mahratta armies in the city of Surat and other manufacturing districts of Gujerat, Koncan, and Malabar had their effect in transferring a large part of the European trade from Surat to Bengal and the Coromandel coast. The proportions of cloth investments in Surat as compared to the other two parts were as under :—

| | Surat. | Bay and Coast. |
|-----------------|-------------|--------------------------|
| 1673-78 | 48 per cent | 52 per cent of the total |
| 1680-83 | 34 per cent | 66 " " |

The trade in piece-goods and other stuffs was in later years most appreciably affected by the Company's war with the Mogul; it recovered a good deal after the termination of hostilities, but again suffered a depression with the general decline in the Company's business during the European War. The total orders for the two years¹ 1696 and 1697 amounted to 2,571,000 pieces as under :—

| | |
|-----------------|----------------------|
| Surat | 865 thousand pieces. |
| Fort | 844 " " |
| Bay | 862 " " |

The Extraordinary Development of the Silk Trade. The regular and certain supply of raw silk was a great necessity for the extensive silk manufacture of England. This industry had grown to be a national object of so much importance by 1655 that in the Treaty of Westminster it was specially stipulated that "the subjects of England might freely bring to France, and sell therein all sorts of silks and woollen stuffs of their own fabrication." Among the Asiatic countries Persia had hitherto been the greatest, if not the sole, source of the supplies of raw silk. The Levant Company was well known for bringing by far the largest quantities through Turkey, but the Dutch and the English Companies had succeeded in so far diverting this trade into their hands that in 1651 the Levant Company alleged "a great and almost total declination in their trade." A very heavy blow at their prosperity had thus been struck by supplanting them in the trade of Persian raw silk.

In the general stagnation of the E.I. Company's business

¹ For subsequent years see pp. 259, 264 n., 308.

this Persian trade had also been neglected. It remained at a low watermark even up to 1669, when the Dutch agent in Persia made the report that "the trade of the English need not disturb us. They are, in fact, doing nothing, but are obliged to remain there on account of the tolls of Gombroon."¹ Nor in the subsequent twenty-five years is much activity visible in the annual investments, which were on the whole limited to forty or fifty bales per year. The Persian silk was generally very poor in quality. Being a government monopoly and having been secured in taxes by the King, it could not be expected to be better.² It was about the year 1690 that the project of turning the course of the silk trade that used to pass through Turkey was set on foot. The Armenians were to be settled at Bombay, so that they might carry English woollens to Persia, and bring back silk for the use of the English. Thus the ancient Persia-Aleppo trade was to be changed through the help of the Armenian merchants. It was truly pointed out by the Directors that "this is no new thought or project of the present age, but was long since designed and consulted in the Reign of King James the first."³ The Armenians were settled at Bombay, but the Persian silk trade could not be developed, because Persia was long in the grip of internal revolutions, disorders, and anarchy.

The main interest of this half a century lies in the great reduction of silk investments in Persia and the phenomenal development of the silk business of the Company in Bengal. A detailed account of the rise and extent of this investment will form a most interesting chapter in the commercial history of Bengal, but we must be very brief here.

In the first ten years the Bengal silk investment was quite insignificant. For instance, £3000 worth of silk was demanded from Hugly in 1658, and the next year a permanent order for procuring 100 bales per annum was given. It was, however, soon curtailed to only 30 or 40 bales, and these, too, were to be

¹ Dutch Records, Series I. 22, doc. 663; Vol. 29, doc. 749.

² Letter Bk., VIII. p. 176.

³ Letter Bk., IX, pp. 20, 375.

provided if silk could be obtained from 6s. 7d. to 7s. 6d. per lb.¹

From an account of Bengal written by Mr. Kenns in 1661 we learn that silk was wound into three sorts, known as the "head," "belly," and "foot." The English used to get the first two sorts, generally in the proportion of 5 : 4. This silk was called "Putta" or of short skein. The second kind of silk was known as "Puttany." It was the superfine sort of short skein and was usually priced from Rs. 5½ to Rs. 6¼ per seer. There was also a third kind called "Dolleria"—a name given to the sort of silk in which "head, belly, and foot" were all mixed.² The exact quantities of silk ordered or imported in the 'seventies are not ascertainable. It is, however, certain that silk supplies from Bengal began to grow very fast after 1670.

The annual orders steadily rose from 580 bales in 1673 to 1200 bales³ in 1679. The total amount of the various sorts of silk ordered in these seven years is shown in the following table :—

| | |
|------------------------|---------------------|
| Head and belly . . . | 4200 to 4300 bales. |
| White silk . . . | 890 to 900 " |
| Floretta . . . | 540 to 590 " |
| Total in 7 years . . . | 5,630 to 5,790 ., |

That is, the annual average approached the large figure of 800 bales during this period. Repeated orders were sent to

¹ *Letter Bk., II, p. 335.* The prices of the different varieties of white silk in 1678 and 1679 are given from Rs. 3/8 to 4/12 per Bengal seer. *Letter Bk., VI, pp. 37, 128, 132-33.*

² *British Museum, Addl. MSS., pp. 34, 123.*

³ The following returns have been compiled from the Letter Books :—

| Year. | Head and Belly. | White. | Floretta. |
|---------------------|---|-----------|-----------|
| 1673 Sept. | 400-500 bales. | 40 bales. | 40 bales. |
| 1674 Dec. | 500 " | 50-60 " | 50 " |
| 1675 Dec. | 500 " | 100 " | 50-100 " |
| 1677 July | 600 " | 200 " | 100 " |
| 1677 Dec. | 600 " | 200 " | 100 " |
| 1678-9 Jan. | 600 " | 200 " | 100 " |
| 1679 Dec. | 1,000 " | 100 " | 100 " |
| 1680 Sept. | The provision of silk of all sorts was to be increased by one-half. | | |

particularly increase the investment in this article to as great an amount as could be procured. For instance, in their Overland Letters to Fort St. George and Bengal in July, 1680, the Directors emphasised their need in these words: "You would what in you lies to promote the buying up what quantities of raw silk you can, that our shipping intended out this year may bring us large quantities thereof as can be procured.

*"Raw silk in general being a commodity that always turns us well to account, and not the worse for the largeness of the quantity how great soever it be."*¹

This trade was, in fact, so vigorously pushed up that during the next five years an unparalleled advance was made in the quantities to be procured in Bengal. In the earlier or subsequent history of the Company up to the battle of Plassey, such extensive amounts were never ordered. They are out of all proportion to the large quantities demanded in the preceding period.

Quantities Ordered from Bengal.

| Year. | Head and Belly. | Ordinary. | White and Floretta. |
|---------------|---|------------|---------------------|
| 1680-81 . . . | 900 bales. | 600 bales. | 610 bales. |
| 1681-82 . . . | 900 " | 600 " | 710 " |
| | And as much of yellow and white No. 1 as can be procured. | | 200 " Tasore. |
| 1682 . . . | 10,000 bales. | { | 1000 " Thrown. |
| 1683 . . . | | | 200 " Arunda. |
| | 10,000 bales. ² | | 1000 " " |
| | A bale = 160 seers. | | 200 " Thrown. |
| 1684-85 . . . | 1,400 bales. | | 170 " |

Thus altogether 28,700 bales of 114,800 maunds of raw silk of all sorts had been advised by the Court in these five years. It means an average of 22,960 maunds, or 574,000 lbs. of 24 ozs. each on taking the maund as equivalent to 25 lbs.

It is a pity that the actual amounts of silk exported from Bengal for the Company's account could not be ascertained, yet the considerable sums of money sent to Bengal in these

¹ Letter Bk., VI, pp. 220, 243.

² Letter Bk., VI, p. 417.

years afford indisputable evidence of an unprecedented activity in investments at Cossimbazar, Ballasore, and Hugly. In the four years of 1678-81 a stock of £1,399,714 was despatched to the Coast and Bay against £890,182 to Surat and Bantam. In January, 1681, the Bengal factors were directed to invest £20,000 per annum in silk.¹ This sum was considered too inadequate next year. The stock for Bengal was raised to £150,000, of which £80,000 was to be sent to Cossimbazar² for the provision of silk. Orders for silk grow larger and more emphatic in the despatches of these years.³

It should also be noted that the order in the year 1681 includes 100 bales of thrown silk. It was the first time that the Company had gone out of its way to send for it. The reasons for this action are disclosed in their own words :—

We have always declined Thrown silk, although there be no law in England against the importation of it. But now being inclined to yve with the Dutch in our owne way of trade, which we were never before put to, we would have you provide for us, and *send us home every year* as well as this, what you can proeure there of (not exceeding 100 bales), so as *it lessens not our provision of raw silk, which we would have kept full to the utmost*, which, notwithstanding we do not intend to sell it in England, but after we have it here, we export it again for France or Holland.⁴

This trade was the source of so great a profit to the Company that in 1681 they prohibited all Englishmen from dealing in raw silk, because it was asserted that they of late had enhanced the prieses and reduced the Company's investment in India.⁵ Three years before, all the Company's servants had been prohibited from dealing in Chinese silk and wrought silks.⁶ Thus the monopoly of the Company was made more extensive and severe.

The vast importations of the previous years could not be

¹ Letter Bk., VI, p. 254.

² Letter Bk., VI, p. 277.

³ Letter Bk., VI, pp. 330, 360, 428.

⁴ Letter Bk., VI, p. 425, 18th Nov., 1681.

⁵ Letter Bk., VI, pp. 452, 471. In 1678 servants were prohibited to deal in China silk or silks. Letter Bk., VI, p. 6.

⁶ Letter Bk., VI, pp. 3, 6.

long maintained. The hostilities with the Mogul Government in Bengal and elsewhere very much curtailed the investments, yet in the three years undermentioned 4850 bales of all kinds of silk were ordered, as has been shown in the note below.¹ At the outbreak of the European War the demand for Bengal silk and its supplies seems to have increased considerably. It had become an "extraordinary commodity, because the Turkey trade was so much interrupted by the French War." The orders in 1693 and 1694 require the Bengal factors to send as much silk as could be procured. Similarly, the provision of both raw silk and wrought silk was greatly increased in China. An abatement is visible at the end of the war, for altogether 195 tons and 500 bales were demanded from Bengal in the years 1697 and 1698.²

The prohibition of retailing and wearing E. India, Persia, and China silks, stuffs, etc., and the coming war with France and Spain which was very likely to affect the trade to Turkey and Italy, once more make the Company most eager to increase the provision of silk in Bengal as well as in Persia and China.³ The actual quantities of raw silk imported from the East and recorded in the Custom House in the under-mentioned years were:—

| | | | | |
|---------|---|---|-------------|------------------------|
| 1693-99 | . | . | 81,714 lbs. | 30,857 lbs. per annum. |
| 1700-1 | . | . | 231,959 " | 116,979 " " |
| 1702-4 | . | . | 105,336 " | 35,112 " " |
| 1706-10 | . | . | 53,655 " | 10,731 " " |

These figures are a sorry commentary on the havoc played by the European War and the financial difficulties of the Company. Except for the two years of 1700-1, the imports were not significant. They hover between 300 and 400 bales per year, but the last quinquennial period shows the most

| ¹ Year. | Ordered silk | | |
|--------------------|--------------|------|------------------------------|
| 1686-87 | bales | 1100 | Head and Belly 130 Floretta. |
| 1687-88 | " | 1100 | " " 200 " |
| 1688 | " | 1400 | " " 260 " |

² Letter Bk., X, pp. 36, 121.

³ Letter Bk., X, p. 417. The quantities of raw silk ordered from China in the last three years of the seventeenth century were: 1698, none; 1699, 30 tons; 1700, 100,000 lbs. Letter Bk., X, pp. 126, 212, 355.

serious depression that this trade had witnessed for the last forty years or more, as the average quantities imported from Bengal, China, and possibly Persia had sunk down to a hundred bales per year!

The Preservation of the Pepper Trade. It has already been seen that the principal investment of the English at Bantam and its neighbouring islands was in pepper. The Malabar was in no way neglected by the English factors for pepper supplies, but up to the 'sixties it had not gained that importance which it obtained in the following years. The Dutch, by expelling the Portuguese from the whole Malabar coast between 1658 and 1665, tried to effectually shut out the English from a share in the pepper trade. For instance, in his despatch of 25th January, 1667, the Governor-General of Batavia pointed out that although pepper in the territory of the Samorin was 50 per cent dearer than at other places on the coast, they must retain the monopoly of export and at any cost prevent the English from getting their share. The latter could not naturally allow their enemies to control all the supplies, and consequently proceeded on the same lines as their rivals in entering into treaties¹ with those Malabar princes who were not bound down by their opponents. The Dutch with all their power and diplomacy could never succeed in dislodging the English from their factories or prevent them from securing the desired quantities of pepper. Carwar, Anjengo, Tellichery, and even Calicut were the principal places for collecting pepper on the Malabar coast; 400 to 500 tons continued to be yearly sent to England from about 1670 onwards, while in some years even as much as 1000 tons were shipped by the Company.

Feeling themselves powerless to deprive the English of the Malabar pepper, the Dutch designed to oust them from Bantam and other places and thus put an end to their flourishing trade. In their September sale of 1678 the Company sold 3350 bags at 7½d. per lb., which produced them a net gain of

¹ Cf. the Treaty with the Queen of Attinga for delivering the whole produce of pepper to the English. Letter Bk., IX, pp. 2, 500, 516.

2½d. per lb., but this profit was not considered sufficient, and therefore the agent at Bantam was instructed to prevail with the Sultan to lessen the price of pepper and his customs. As they had 19,000 bags unsold with them, they resolved to send fewer ships. Furthermore, it was decided to send 1000 tons in shipping per annum¹ to Bantam.

Notwithstanding the manifold difficulties created by the Dutch in the securing of pepper, the extraordinary progress made in a few years in its trade seems incredible. From the Report touching the Pepper Warehouse, we learn that from April, 1672, to July, 1681 (including remainder), under-mentioned quantities were received in England :—

| | | | |
|---------------------|---|---|--|
| Black pepper | . | . | 35,626,373 lbs. or 115,270 bags; |
| White pepper | . | . | 553,763 lbs. or 1,914 bags; |
| Falcon's pepper | . | . | 588,000 lbs. or 1,969 bags. ² |
| Total in nine years | | | 36,768,136 lbs. |

In other words, 4,085,348 lbs. of pepper were, communibus annis, imported by the Company into England during 1672-81! This stands in marked contrast with the 2,000,000 lbs. imported in the 'sixties and 1,500,000 lbs. brought into the country during the 'thirties!

This can give us an idea what the Company and the British Isles at large must be gaining by the re-exportation of this article to the foreign countries, when it is remembered that the annual home consumption was scarcely one-tenth of the imported quantities, though according to Sir J. Child it was even less than one-twentieth part of this immense amount!

In 1682 all or a major part of this profitable trade was mightily threatened, because the Dutch expelled the English from Bantam,² and after allowing them to live in Batavia gave them dol's of pepper at exorbitant prices. The English had anticipated the disastrous consequences. They had already sent the greatest fleet that had ever sailed to the Indies for the defence of Bantam.

¹ Letter Bk., VI, pp. 1, 5, 77.

² Letter Bk., VIII, p. 321.

³ Accounts of the loss of Bantam. C.O. 14—Batavia. 17th and 23rd Sept., 1682.

The feelings of the Directors on this important issue are couched in these words :—

If the present misunderstandings between the two nations should ferment to an open war, it would be thought by the vulgar, but a war for pepper which they think to be slight thing, because each family spends but a little of it. But at the Bottom it will prove a war for the Dominion of the British as well as the Indian seas, because if ever they come to be sole masters of that Commodity, as they already are of nutmegs, mace, cloves, and cinamon, the sole profit of that one commodity pepper being of general use, will be more to them, than all the rest and in probability sufficient to defray the constant charge of a great navy in Europe.

It was to avoid these dire results that the English soon planted a new factory at Bencoolen and won over many native inhabitants to satisfy their demand for pepper. It was maintained at a cost of £200,000 in ten years to prevent the loss of the pepper trade to the nation.¹ From their first settlement here in 1685 to the 22nd July, 1702, the Company got pepper to the amount of 16,927 bahars, each bahar being 407 lbs. The total quantity of pepper was therefore 6,889,289 lbs., or 430,580 lbs. per year.² This is in no way a despicable amount considering the odds against the English.

The Malabar was more and more tapped as the Southern supplies became more insecure. The pepper settlements of the English on the west coast of India grew to be very important centres of trade. The quantities imported into England are available in the Customs Books from the year 1698. They include the Bencoolen supplies, yet with a previous knowledge of their annual average we can arrive at an approximate estimate of the quantities brought from India. In the five years of competitive trade, from 1698 to 1702 inclusive, 27½ million lbs. were brought into London. Such vast quantities stand unparalleled in the then history of English commerce, and they most impressively reveal the inexhaustible resources of the Malabar country for its supplies

¹ Letter Bk., IX. p. 463

² Letter Bk., XIV. p. 168.

of pepper. It should be remarked that the year 1699 alone claims 19,635,610 lbs. of pepper. If this quantity has been correctly recorded by the Custom House authorities, it appears that there was a great rush for securing this article at the establishment of the New Company.

As the imports of pepper in subsequent years up to 1710 average about $1\frac{1}{2}$ million lbs. per annum, it can be safely asserted that about two-thirds of these were on the average supplied from India and the rest from Bencoolen.

These are sufficiently large quantities, but it seems on comparing the Customs¹ returns with those of the Company from 1616 to 1630, that during the earlier period more pepper was imported into England. It would mean that even with the growing resources and greater facilities and immunities of obtaining pepper in Malabar, its trade had appreciably declined. Either this comparative decay was temporarily caused by the European War, or large quantities were clandestinely run into the country and thus could not be recorded in the Customs Books. Reduction is very likely due to both these causes, because it looks improbable that the pepper trade should have suffered a set-back with an otherwise rapidly growing commerce.²

The Beginnings of the Tea Trade. Tea, which was scarcely known as a commodity of Indo-European traffic up to 1660, so successfully made its way into the Western world within

¹ Cf. pp. 294-5, 367

² In 1703 the custom on pepper is stated to be 5½d. per lb., and the freight 3½d. per lb. Thus 9d. per lb. was on the average spent above the prime cost. As pepper dust could be disposed of at 2½d. and flags and scummings at 4d. per lb., the Company was losing 6d. per lb. on these. Hence instructions were sent to provide clean and well-garbled pepper. Letter Bk., XII, pp. 134, 155.

The prices in 1684 of

| | |
|-------------------|--|
| Calcut pepper | were 2½d. per lb. and ¼d. charges in India |
| Billapatam pepper | 2½d. " ¼d. " " |
| Carwar pepper | 4d. price and charges. |

(Letter Bk., VII, p. 481.)

Prices of pepper in England in March, 1683-84 :—

| | |
|-------------------|--------------|
| Billapatam pepper | 8½d. per lb. |
| Malabar pepper | 9d. " |
| Jambee pepper | 8½d. " |

(Court Bk., 33, p. 228.)

fifty years that it occupied a respectable position among the Eastern imports of the Dutch and the English in the first decade of the eighteenth century. When and by whom tea was introduced into England has not been ascertained with any direct certainty, but the East India Company deserve the sole credit of developing this most lucrative branch of English trade.

In 1665 English factories were established at Tywan and Tonqueen in China, and tea began to form an article of investment there. In the season of 1667-68 the agent at Bantam was desired to send "100 lbs. weight of the best *tey* that he could gett." The first importation made from Bantam was in 1669, when about 143 lbs. of tea were received in England. In the next three years, 346 lbs. more were imported. Then came a break for six years. In the last three years of the 'eighties the imports of tea rose to 5057 lbs. The troubles at Bantam again stopped this unimportant investment. The growing use of tea in the aristocratic circles about this period was attested by the Directors in their letter to Fort St. George in January, 1685, in these words :—

In regard *Thea* is grown to be a commodity here and wee have occasion to make presents therein to our great friends at Court, *we would have you to send us yearly 5 or 6 canisters of the very best and freshest Thea.* That which will colour the water in which it is infused most of a greenish complexion is generally best accepted.¹

Six years later, too, the Company were not optimistic on their tea trade. In their Bombay General, dated October, 1690, the Directors note that "*Thea* now pays the King five shillings per pound custom, so that no ordinary *Thea* can be bought for England for the Company's account, nor any but what is superfine will pay either freight or charges, and no *thea* must be loaden among pepper, nor Tutanague pots, nor in pots scented with camphor. *But we had rather have no Thea at all sent for the Company's account.*"² Yet increasing quantities were continued to be sent from Madras and Surat, because the

¹ Letter Bk., VII, p. 425.

² Letter Bk., IX, pp. 112-13.

total amount from 1685 to 1700 inclusive being 266,601 lbs., with an average of 16,662 lbs. per annum, stands in marked contrast to the preceding period. In fact, at the end of the century, the imports of tea had become fairly considerable. The orders to the China factors for the provision of tea will give an adequate idea of the importance and growth of its trade in the following years :—

| Year. ¹ | | Ordinary Tea. | Bohea. |
|--------------------|-------|---------------|---------|
| 1698 | . . . | 300 tubs | 2 tubs |
| 1699 | . . . | 300 " | 80 " |
| 1700 | . . . | 100-150 " | 50-60 " |

These orders were from the Old Company. The investment had to be cut down on account of the severe competition from other adventurers. The actual quantity imported in the single year of 1700 far exceeds the sum total of tea brought into England in the previous nine years. The excessive importations of competing merchants had very much popularised the tea-drink. In 1701 we are informed that tea was a commodity of general use and a very considerable article in the profits and loss of the Company's investments.² The goods ordered for England from Canton in that year were to occupy 285 tons of shipping, but 117 tons out of these consisted of tea alone. In the next two years 200 tons were to be provided, and the quantity ordered so rapidly increased that in the years of 1710-12 no less than 450 tons were invoiced by the Company.³

It is clear that tea, though very dear, had established itself as an article of drink and made a somewhat startling progress in the first decade of the eighteenth century. Altogether 786,326 lbs., or on the average five times as much as in the previous sixteen years, were imported into the country in the first ten years of the eighteenth century.

The average prices of tea at the Company's sales varied from 11s. 6d. to 12s. 4d. in the years 1678-86, but in spite of far higher duties stood at 11s. 11d. per lb. in 1708-10.⁴ As the

¹ Letter Bk., X, pp. 126, 212, 355. ² Letter Bk., XII, p. 326.

³ Letter Bk., XIV, pp. 30, 341.

⁴ See Appendix on the imports of tea, p. 302.

Singlo tea was to be procured at 1s. per lb. and the Imperial as well as Bohea at 2s., the Company, after making allowance for all kinds of charges and duties, must have made enormous profits in this growing branch of their trade.

The Rise of the Coffee Trade. Although the use of coffee as a drink precedes that of tea in England, yet the former never gained that popularity which its rival was destined to attain in a short period. In fact, its progress, which was very rapid in the 'eighties, was soon retarded by the introduction of tea and the impositions of excessive duties. The quantities ordered and the prices at which coffee was sold by the Company during the first six years will adequately picture the early genesis of its trade :—

| Year. | Coffee Ordered. | Coffee Sold. | Prices per cwt. | | | Reference. |
|---------|-----------------|--------------|-----------------|----|----|----------------------------|
| | | | £ | s. | d. | |
| 1658 | 30 tons | — | — | — | — | — |
| 1660 | { — | 48 bales | { 7 | 10 | 0 | August C. Bk., 24, p. 279. |
| 1661 | { — | 2 bags | { 7 | 1 | 0 | October „ p. 303. |
| 1662 | 20 tons | 10 bales | 6 | 18 | 0 | „ p. 467. |
| 1663 | — | 2 parc. | 6 | 1 | 0 | „ p. 517. |
| 1664 | 5 tons | 18 bales | 4 | 0 | 0 | per stone „ p. 519. |
| 1665-66 | — | 19 bales | 8 | 10 | 0 | „ p. 832. |
| | | | 5 | 12 | 0 | |

With the expansion of the Eastern import trade the investments of coffee grew to large proportions as under :—

Amounts of Coffee Ordered.

| | | | | |
|---------|---|---|---|-----------------|
| 1669 | . | . | . | 200 bales. |
| 1670-71 | . | . | . | 300 „ per year. |
| 1672-75 | . | . | . | 200 „ „ |
| 1676-77 | . | . | . | 300 „ „ |
| 1678-79 | . | . | . | 400 „ „ |
| 1680-81 | . | . | . | 600 „ „ |
| 1682 | . | . | . | 1200 „ „ |

The climax in the coffee investments was reached here when the quantities ordered from India had increased from 200 bales or 50 tons in 1669 to 1200 bales or 300 tons in 1682. Never after up to 1710, save in the year 1704, was so large a quantity ordered by the Company or imported into England.

The profits in this branch seem to be fairly considerable about this period. The prices of coffee as given in the Surat

invoices, or the advices of the Court, usually hover between Rs.10 and Rs.11 per maimd, or £4 to £5 per cwt., while in England they range between £8-9 per cwt., so that the gross profit made by the Company would amount to 80-90 per cent on this investment.¹

The decrease in the Company's exports of bullion and goods curtailed their investments all round, so the orders for coffee, though fairly large, show no progress. The following amounts traceable in the Letter Books tell their own story :—

| | | | |
|------|--------------|------|--------------|
| 1683 | . 800 bales. | 1688 | . 600 bales. |
| 1684 | . 500 " | 1693 | . 100 tons. |
| 1687 | . 500 " | 1694 | . 100 " |

In the three years of 1698-1700 3477 cwts., and in the seven years from 1701 to 1708, there being no returns for 1705, 15,294 cwts. in all were *directly imported* into the country from India.

The whole course of trade can now be presented in total quantities and annual averages thus :—

| | | |
|------------|---------------------|--------------------------------|
| 1669-65 | 75 cwts. in all, or | 121 cwts. annual <i>Sale</i> . |
| 1669-81 | 6700 bales " | 1884 " " <i>Order</i> . |
| 1685-88 | 1600 " " | 2100 " " " |
| 1693-94 | 200 tons " | 1800 " " " |
| 1698-1700* | 3477 cwts. " | 1159 " " <i>Import</i> . |
| 1701-8 | 15,294 " " | 2159 " " " |

Without taking account of the quantities imported from Turkey and Holland and fixing our attention on the direct trade between England and the Indies, we find that the coffee trade was very fitful after 1681, its course being made erratic to some extent by the imposition and withdrawal of excessive duties. Although the above orders can in no case be taken to represent the quantities actually imported into the

¹ Cf. Letter Bk., VIII, p. 554.

* Actual imports of coffee compiled from the books of the Custom House (see p. 307 *infra*):—

| | | | |
|------|------------|------|---------------|
| 1698 | . 44 cwts. | 1703 | . 1278½ cwts. |
| 1699 | . 2181½ " | 1704 | . 5499½ " |
| 1700 | . 1292 " | 1706 | . 31 " |
| 1701 | . 3473½ " | 1707 | . 349½ " |
| 1702 | . 2619½ " | 1708 | . 2044 " |

country, yet they are a sure index to the growing and large demand for coffee up to 1688 and its dull market afterwards due to the levy of an additional duty of £5 12s. per cwt. The development in the quantities imported is not at all significant when it is compared to the amazing progress made by tea during the same period in spite of discouraging impositions.¹

The Boom and Slump in the Indigo Trade. It was pointed out in Chapter IV that the Indian indigo began to lose its ground in the English market about the year 1650. Nine years after we find that such abundant quantities had been imported from the Barbados and the West Indies that indigo was not required from India unless the Lahore variety could be bought at 18d. and the Ahmadabad one at 9d. per lb.² But the former was invoiced at 26d. and the latter at 12½d. per lb. at Surat in 1660. As they were expected to yield 3s. 4-6d. and 1s. 8d. per lb. respectively in England, much profit was not left after deducting the freight, insurance, custom, and other charges incurred on them.³

Fortunately the demand for indigo was rapidly increasing in the dyeing and manufacturing industries of England, and therefore large quantities continued to be imported from India up to the end of that century. From the inventory of the Company's annual orders for the provision of this dye given in Appendix C, it appears that from 600 to 1300 bales of the Lahore and Ahmadabad indigoes were annually required between the years 1670 and 1675, but the quantity was reduced to 500 bales in the next four years, and rose again to 940-1040 bales in the years 1680-84.

The stability of the prices of the three varieties of indigo in this whole period of a quarter of a century is simply amazing. From 1659 to 1681 the flat and round varieties of Ahmadabad are priced at 9d. to 12d. in the advices of the Court, and the Lahore or Agra kind at 18-24d. per lb. In 1675

¹ For the various duties imposed upon tea and coffee see Appendix B to Chapter X.

² Letter Bk., II, p. 286; Letter to Surat, 22nd Feb., 1659.

³ Letter Bk., II, p. 338.

the total cost of importing this article into England was stated to be 1s. per lb. over and above its prime cost as under : --

| | | |
|-----------------------------|---------|--|
| Cost | 2s. 4d. | |
| Fright | 4d. | Total cost to the Co. = 3s. 4d. |
| Custom | 4d. | per lb. of Lahore indigo. ¹ |
| Waste and charges | 4d. | |

The Ahmadabad indigo, whose prices varied from 9d. to 1s., would not have cost the Company more than 2s. at its delivery in England. This supplies us with a very good basis for calculating the profits of the Company in this branch of their trade.

The demand for the indigo dye must have much increased on account of the particular growth of the weaving industry after the migration of the French refugees in 1685. We are told by the Company that "it was a good commodity and likely to continue in great request." Yet the total order in 1687 amounted to 600 barrels of the Agra variety, and 140 barrels of both the flat and round ones. This was altogether equal to 133½ shipping tons. Next year the whole order went up to 1300 barrels, which would mean 217 shipping tons or 2601 cwt.

This year the Surat factors were informed that all the varieties of indigo had much fallen in price, "but they are always noble staple commodities, and you need not fear over burdening us with them, if they be cheap bought and good in their kinds."²

Four years later, in October, 1693, order was given not to send the Coromandel indigo, as it brought in only 9d. or 10d. per lb., though it had to pay 6d. per lb. custom; while the best Agra or Lahore variety was sold for 6s. or 7s. per lb.³

We find the orders contracted to only 400 barrels for each of the two years of 1695 and 1696. In the past few years the Company had seriously attempted to encourage the cultivation

¹ Court Bk., 25a, advice for 1675.

² Letter Bk., IX, p. 2.

³ Letter Bk., IX, p. 305.

of indigo, along with that of cotton, sugar, pepper, nutmegs, mace, etc., in St. Helena and Fort York.¹ Experiments had also been made in Fort St. David's, near Madras. Then small quantities were imported from China. The annual orders for goods to be provided there for England from 1698 to 1700 include 23 tons of indigo.² Most of all, the cheap importations from the West Indies heavily told upon this branch of Indian trade.³

The actual quantities imported into the country from the East, that is, both from India and China, as registered at the Custom House, show to what depths this great and profitable trade had fallen in the beginning of the eighteenth century. From 1698 to 1710, save for the year 1705 for which the returns are missing, 702,643 lbs. in all were brought into England.⁴ An average of 54,000 lbs. per annum during this period stands in marked contrast to the year 1620, when the annual importation was stated to be 200,000 lbs. Thus this branch of the Indian trade had dwindled down to about one-fourth of what it used to be in the early period of the Company's commerce. As the Dutch, too, had completely succeeded in raising very large crops of indigo in Java and other islands, and in doing away with the necessity of buying it in India, *it is evident that the foreign markets for this commodity had practically been closed in the beginning of the eighteenth century.*

Cotton-wool formed a regular article of export from India, but the quantities, though wildly varying in different years, were not appreciable. The advices of the Court for the three years of 1688-90 include 600 bales of cotton per annum, while for 1695 and 1696 order was given to send as much of this article as was required for making up the tonnage of the ships consigned to Surat. But only two years

¹ Letter Bk., VI, p. 16; IX, p. 596.

² Letter Bk., X, pp. 126, 212, 355.

³ The consignment on the *King William* cost £78 1s. 3d., but the net price obtained was £65 16s. 6d., so there was a loss of £12 4s. 9d. Letter Bk., X, p. 106, Aug., 1698.

⁴ For the imports of indigo see Appendix G to Chapter VII, p. 314.

after the Surat factors were directed to send no more cotton to England as it sold at about 8d. per lb., while its cost¹ was above 11d. Subsequent years do not show any large importation of the article. For instance, in the years 1698-1700, 135,683 lbs. were brought from the East, while the total quantity for the first decade of the eighteenth century is 215,605 lbs., which means an average of only 18 shipping tons per year.

On the other hand, cotton-yarn was always an important article, being in great demand on account of the growing cotton manufacture in England. In 1658, 600 bales were demanded from Surat, Malabar, and Rajpore, and 20 tons from Hugly. Next year 100 bales were ordered to be provided per annum at the latter factory.² During 1660-63, the requirements vary from 100 to 200 bales, and the Bay supply was directed to be cut down to 200 bales per year. The quantity went up 500 bales per year in 1672-73 from Surat, but was reduced again next year to 300 and even to 200 in 1675, while Bengal factors were asked to supply only 50-60 bales in the latter year. No yarn was required in the next two years on account of its dearth. In 1679 complaints are heard from the Court to the effect that yarn had been sold at a great loss of late years and that they had 300 bales remaining on their hands. Yet 100 to 150 bales per annum were ordered from Surat to fill up the tonnage.³ Next year this requirement was raised to 200 bales, and in the three years of 1682-84 the orders exceeded all previous records, being 2550 bales from all centres in India.⁴ Since 1688 yarn of the finest sorts was much preferred, and fairly large quantities were annually required from all the centres to fill up the tonnage of ships.⁵ For instance, 700 tons of yarn were to be provided at Surat and Hugly. The amount was reduced to 200 tons in 1693 and 1694, because its dearth was curtailing

¹ Prime cost = 3½d., freight = 7½d., and custom = ½d. per lb.

² Letter Bk., II, p. 197.

³ Letter Bk., VI, p. 48.

⁴ Letter Bk., VII, pp. 20, 22, 26, 227, 358, 431.

⁵ Letter Bk., VIII, p. 584; IX, p. 557.

the profit of the Company.¹ About the end of this century, it yielded only 20 to 30 per cent net profit, but the prohibition of Indian painted calicoes in 1699 made it a favourite commodity. A large quantity was demanded in 1701 with the remark that it would turn to account, because the weavers had fallen into the use of it in imitating several Indian manufactures.

The returns of the actual quantities imported into the country from India, as given in the note below, show that in the nine years for which the figures are available the average importation stood at 136,000 lbs. weight per annum. No comparison is possible by reason of the want of earlier returns, yet the importance of this trade, before the invention of spinning machines in England, cannot be denied.

Private Trade. On the resumption of their trade the Company promptly proceeded to jealously guard their exclusive right of trade to and from the Indies. They first prohibited the exportation of all kinds of ammunition, broadcloth, lead, coral, vermilion, quicksilver, amber, and elephants' teeth from England, and the importation home of calicoes, indigo, cinnamon, cloves, cardamoms, benjamin, saltpetre, pepper, white nutmegs, maces, or cotton yarn. Then a levy of very high rates of freight was ordered in 1665 to be charged on the goods carried against the Company's permission,² as, for instance :—

| | | |
|------|-----------------------|-------------------------------------|
| £50 | per ton | on ammunition. |
| 10s. | per lb. | „ coral and amber. |
| 5s. | per piece | „ calicoes. |
| 3s. | per lb. | „ indigo, yarn and spices. |
| 6d. | per lb. | „ saltpetre and pepper. |
| 5d. | per lb. | „ mace. |
| £10 | for every broadcloth. | |
| 10s. | per cwt. | on lead. |
| 2s. | per lb. | „ quicksilver, teeth and vermilion. |

¹ Letter Bk., VIII, pp. 557-59, 568-70; IX, 312-14, 320-23, 506-8.

Imports of Cotton Yarn from India.

| | | | | | |
|------|---|--------------|------|---|--------------|
| 1699 | . | 204,378 lbs. | 1704 | . | 166,640 lbs. |
| 1700 | . | 165,453 „ | 1705 | . | Missing. |
| 1701 | . | 146,987 „ | 1706 | . | 44,725 „ |
| 1702 | . | 97,537 „ | 1707 | . | 299,642 „ |
| 1703 | . | 52,267 „ | 1708 | . | 46,846 „ |

² Letter Bk., II, p. 185. Total for 9 years . 1,224,475 „

In spite of all these restrictions, Eastern imports were more and more brought into the country to the prejudice of the Company. They consequently made more severe laws to suppress the growing volume of permitted and clandestine trade. It was during this period that they practised the most brutal methods to prevent privateers from sharing their immense profits in the Eastern commerce. Several Royal Proclamations were issued against interlopers, and every now and then the Court of Directors laid down restrictions on the rights of the officers and mariners to trade on their private account. For instance, in the year 1673-74 the private merchants could "not carry callicoes or pepper of any sort to Tonquene, Formosa, Japan, Camboy, Syam, Bantam, or any other port or place in the Sea of Japan, where the Company had or should settle a factory. They were prohibited to import sugar, tin, *tutenage*, skin, leather, hides, red earth, raw silk, sappan, or sandal-wood into, and to export copper from those countries.

The principal articles of private import from the East were pearls, diamonds, rubies, sapphires, neckcloths, bezel stones, musk, ambergris, oil of mace and other spices, Persian carpets, damasks, gold and silver stuffs, tortoise shells, opium, cornelian rings and agates.¹

Then the importation of tea,² coffee, silk,³ etc., was withdrawn from private hands, as the demands for these articles grew more and more.

About 1680-81, the principal restrictions on the permissible trade between England and the East were as follows :—

(1) No Adventurer or Freeman was permitted to send out in any one year in bullion or foreign coin for India any more or greater sum than one-fifth of his original adventure in the General Joint Stock.⁴

(2) The freight to be paid by Freeman, Adventurers, at

¹ Addl. MS., 24,934, p. 189.

² Court Bk., 45, p. 559.

³ Memorial to the Commons, Court Bk., 45, p. 565.

⁴ Court Minutes, 32, p. 113, 20th April, 1681.

Company's servants was £5 per ton, while all Unfree men had to pay £10 per ton.

(3) Five per cent on the outward as well as homeward tonnage was allowed to ship's officers in unprohibited goods.

(4) The diamond trade was solely appropriated by the Company "for the profit and advantage of the Kingdom in general and particularly for the interests of this Company." It was strictly prohibited to all persons whatsoever.¹

(5) The following articles were also solely appropriated by the Company: Musk, Persia wrought silks, Ahmadabad Taffaties, silk Loongees, chercollees, and herba Taffaties. Restrictions for other articles were almost the same as in 1673.²

(6) The Company went so far as to send nimble vessels to look out for the India ships coming home, and prevent the goods brought by private adventurers being embezzled or smuggled in.³

(7) The Company's money was being continually misappropriated by its factors in the East. Hence it issued orders and rules for all persons in its service to prevent their trading with its funds.⁴

(8) The strictest measures were adopted to prevent privateers and interlopers from going to the Eastern waters. The Madagascar pirates are described by the Company as "scandal to our Nation and Religion, being most of the English, at least four-fifths."

The clandestine trade had actually assumed large proportions, and the piracies of interlopers frequently recoiled upon the heads of the Company's servants. These in turn mercilessly persecuted those of their countrymen who dared invade their exclusive prerogatives. "Such instances of their barbarity might be produced, supported by facts, as would

¹ Court Minutes, 32, pp. 12, 13, 15, 16, 61.

² Court Minutes, 32, pp. 113, 114.

³ Court Minutes, 32, pp. 121, 179.

⁴ Addl. MS., 31, 146, p. 11.

at the numerous toll-houses. These three categories of causes narrowed down the activities of Indian merchants to the inland trade alone. The Indians were thus more and more circumscribed, cabined and confined to their own country.

The struggle became keener as time went on. During the period under review more Western nations, like the French, Danes, Swedes, etc., came into India for trade. They, too, followed the practices of their predecessors in the field. Just as to-day there is a titanic scramble for carving out Africa and Asia amongst the Europeans, for delimiting spheres of influence in all lands inhabited by the non-European nations for the exclusive exploitation of the economic resources of the latter, so during the seventeenth century there was going on a frightful fight on the seas and continent of India for securing extensive spheres of commercial and political influence to the exclusion of all others. The Indian had literally to choose between the devil and the deep sea. He avoided both, remained pent up in his own country, and thus handed over its commerce to the Europeans.

The English nation came out successful in North America and India during the eighteenth century. Then the same struggle for land, power, commerce, raw material, riches—which is inherently implanted in all animals and more in human breasts—was transferred to the new lands and fresh pastures of the continents of Africa and Asia.

The most successful nations, like the Americans, English and French, having obtained the lion's share, having no hope of getting anything more and for recouping their exhausted resources for some time to come, are most vociferous in crying halt to this grabbing spirit. They are making a virtue of the necessity and hoodwinking and gulling the general public by their profuse professions of universal peace, universal international law, League of Nations, the rights of self-determination and independence. How can the sufferers who have lost even tails in the spoil, agree in their hearts to this just or unjust exploitation? Being weak, exhausted,

was used to double their stock and 50 per cent was paid in money to the Adventurers. This climax of prosperity was reached by the arrival of six ships whose cargoes were computed at upwards of £500,000 value. The Company remained securely seated at the giddy heights of their shining fortune for another decade. After the 50 per cent dividend and the doubling of their stock in the aforesaid manner, all future dividends were made and computed upon their stock so doubled. The actual profits in the nine years from 1676 to 1685 were stated as amounting to £963,639. No dividend was, however, declared for four years since the 150 per cent division. The following entries are available for the next six years :—

| | |
|-------------------|------------------------|
| A dividend of 25% | on the 1st Oct., 1685. |
| " " 25% | " 14th April, 1686. |
| " " 25% | " 12th Oct., 1687. |
| " " 25% | " 20th April, 1688. |
| " " 50% | " 2nd Oct., 1689. |
| " " 50% | " 8th April, 1691. |

So that the dividends from 1658 to 1681 amounted to 440½ per cent; and from 1681 to 1691, "doubling the same, as the stock was, according to that nominal duplication, amounted to 400 per cent." In other words, from 1658 to 1691 840½ per cent on the £369,891 original stock had been divided amongst its subscribers. Or *an unusual profit of 21 per cent per annum over a period of forty years had been enjoyed in the Eastern adventures.*

This tide of prosperity had, however, already begun to turn against the Company. The heavy expenses of an unsuccessful war with the Mogul, the depression of trade, and the great losses suffered at sea by the sinking and capture of twelve richly laden ships during the Anglo-French War (1689-97) developed into a disease which ended only with the dissolution of the Company.

By an order of the 3rd of May, 1693, the Court called in a new subscription of 50 per cent of the then stock from the Adventurers, so that the whole stock was increased by £325,565.¹ But this 50 per cent additional stock was after-

¹ Court Bk., 36, pp. 186, 214, 215-17, 227, 234.

wards ordered to be paid back with interest out of a new general subscription raised for the better carrying on of their trade and making it more national and extensive by allowing new Adventurers to take up the stock. As the sums proved insufficient, the Company were compelled to raise loans upon their stock; viz., of 25 per cent in October, 1695, from the Adventurers on allowing 20 per cent for prompt payment,¹ and another sum of 25 per cent in September, 1697, on their then stock from the Adventurers, too, by allowing them a bond of £120 for £100 advanced.² These exorbitant rates of interest on large sums of money borrowed on bonds, were sure to prove prejudicial to the existence of the Company during the period of an unusual depression. The increasing amounts of their bonded debts raised in England at exorbitant interest will show how their trade was financed by ever-recurring loans.³

The Adventurers, not despairing of better success for the future, had "with a Roman courage and resolution resolved to add" ⁴ large sums of fresh money to their stock, but the future grew darker and darker. No dividend could be declared after 1691 up to the end of the century, and the value of their stock had a sharp fall to 37 per cent. Yet in spite of depressions, disasters, and discouragements the Company had reaped very large profits and managed to outflank and outvie

¹ Court Bk., 37, pp. 34-36.

² Court Bk., 37, pp. 196, 198-99, 341. Court Bk., 38, pp. 99-100.

³ Co.'s Bonded Debt at Interest:—

| | Year. | Amount. | |
|----------------|---------|---------------|-----------------------------|
| | 1692 .. | 137,242 0 0 | Home Misc., Vol. 40, p. 50. |
| | | 120,000 0 0 | Short loan. |
| | 1694 .. | 165,897 0 0 | |
| 31st December, | 1689 .. | 532,589 7 5 | |
| | 1691 .. | 613,529 7 5 | |
| 29th April, | 1693 .. | 451,597 16 10 | |
| 15th November, | 1693 .. | 256,359 6 11 | |
| 30th .. | 1694 .. | 401,813 8 5 | |
| " .. | 1695 .. | 637,296 12 0 | |
| " .. | 1696 .. | 746,803 19 6 | |
| " .. | 1697 .. | 595,896 19 9 | |
| 31st March, | 1698 .. | 631,554 19 10 | |
| 11th March, | 1695 .. | 1,110,951 0 0 | Debt in India & England. |

Journal of the House of Commons, Vol. XII, p. 313; Vol. XI, p. 507.

⁴ Letter Bk., IX, pp. 444, 464.

their Dutch rivals: The course of dividends of the two Companies is presented in the following table :—

| Years. | Dividend declared by | |
|-----------------|------------------------------|---------------------|
| | ¹ The English Co. | The Dutch Co. |
| 1658-81 . . . | 440 $\frac{1}{2}$ % | 433 $\frac{1}{2}$ % |
| 1681-91 . . . | 400% | 232 $\frac{1}{2}$ % |
| 1692-1700 . . . | None. | 190% |
| 1700-10 . . . | Not known. | 240% |

Thus the Dutch Company divided 666 per cent in forty years against 840 per cent of the English Company. Even the next decade does not place the proprietors of the Dutch stock in a much better position than their English compeers.

The next section on the aggregate values of the Dutch and English trades with the East will prove no less a disillusionment as to the proverbially gigantic volume of the Indo-Dutch commerce.

A View of the Dutch Trade

It is a recognised fact that the opulence and power of the Dutch reached their zenith during the latter half of the seventeenth century. Their political conquests and commercial monopolies in the East had made them the most dominating nation in the Indo-European trade. Goa, formerly the key of all the commerce of the Indies and the fairest city in India, had been reduced to an extreme poverty and was so shrunk that it did not contain more than 20,000 inhabitants in the 'twenties of the eighteenth century. Batavia, the Dutch metropolis, having shorn Goa of its commerce, splendour, opulence, and population, had grown to be the Queen of the East on account of the superb beauty of its buildings, its magnificent harbour, and the immense trade which it carried on throughout the East. The Dutch were known to be the wealthiest, the strongest, and the greatest dealers of all Europeans in India. They had never less than forty ships, and often more, trading from one place to another in the Indies. They annually despatched 14-15 tall ships to Europe, and as many to the East.

¹ See Appendices to this chapter.

A view of the fabulous profits earned by the Dutch is furnished by Stavorinus and Valentyne. According to the former the profits of the eleven years from 1662-63 to 1673-74 amounted upon an average annually to 520 per cent upon the finer spices, being in money £30,415 a year. They rose to 850 per cent or £16,315 a year from 1688-89 to 1697-98. During this last decade a further profit of £23,266 was made upon the other goods which amounted to 59 $\frac{3}{4}$ per cent upon their prime cost. But these profits gradually decreased after that period. Those upon the spices, indeed, rendered a higher proportion per cent, and in the year 1731-32 they were even 2,400 per cent upon the prime cost; but the consumption was, on the other hand, so small, that in the ten years, in which that extraordinary proportion of gain appeared, namely from 1730-31 to 1739-40, the real annual average profit in money scarcely amounted to one-fifth part of the sum before made with a lesser advance upon the prime cost. The extraordinary profits are confirmed by Valentyne, who states the Dutch gains at Surat to average :—

| | |
|---------------------------------|---------------------------------|
| 663 $\frac{3}{4}$ upon cloves | 420 $\frac{1}{2}$ upon benzoin |
| 1,453 $\frac{3}{4}$ „ nutmegs | 316 $\frac{1}{2}$ „ gumlac |
| 714 $\frac{3}{4}$ „ mace | 270 $\frac{1}{2}$ „ quicksilver |
| 128 $\frac{1}{2}$ „ copper bars | 190 $\frac{1}{2}$ „ vermilion |
| 31 $\frac{1}{2}$ „ copper plate | |

Now one is apt to be deceived as to the real extent of the Dutch trade in the East and that with Europe by seeing these bloated figures of their profits. A little calculation will show that their whole import trade in the Indies on the basis of these profits amounted to :—

| Years. | Prime Cost per Year. | Sale Value per Year. |
|---------|----------------------------|----------------------|
| 1662-73 | £5,842 in spices | £36,257 |
| 1688-97 | £5,450 „ | £51,764 |
| | £39,433 in all other goods | £62,699 |

In other words, during the ten years of 1688-97 the annual sales of all the goods disposed of in the Indies averaged about £114,500 sterling per year. Such is the astounding insignificance of the Dutch trade at its climax during the last years of the seventeenth century when we judge it by present standards!